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Report to Congressional Addressees

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WARFIGHTER SUPPORT

DOD Has Made Progress, but Supply and Distribution Challenges Remain in Afghanistan

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WARFIGHTER SUPPORT

DOD Has Made Progress, but Supply and Distribution Challenges Remain in Afghanistan

Why GAO Did This Study

In fiscal year 2010, the Department of Defense (DOD) spent billions of dollars to move troops and materiel into Afghanistan, a mountainous, land-locked country with poorly developed infrastructure. The increase of 30,000 U.S. troops in Afghanistan as of August 2010, along with thousands of civilians and contractors supporting U.S. efforts, have required further development of DOD's already-complex distribution network to support and sustain U.S. military presence in Afghanistan.

GAO conducted this review to assess distribution issues in Afghanistan, including (1) DOD's oversight of distribution operations; (2) DOD's performance in providing supplies and equipment; and (3) challenges that have affected DOD's ability to provide supplies and equipment. GAO reviewed joint doctrine and DOD policies on distribution, analyzed DOD delivery data, and interviewed DOD officials in the United States and in the U.S. Central Command area of responsibility, including Afghanistan, Pakistan, Kuwait, Qatar, and Bahrain.

What GAO Recommends

GAO makes 15 recommendations for DOD to clarify its distribution policy, improve documentation of performance, and address several other challenges. DOD concurred or partially concurred with 11 of GAO's recommendations, but did not concur with four recommendations. GAO continues to believe that DOD should implement the recommendations, and GAO's rationale is discussed on the next page.

What GAO Found

Although U.S. Transportation Command (TRANSCOM) has established some processes for oversight, it does not have full oversight of the distribution of supplies and equipment to the warfighter in Afghanistan. DOD's distribution pipeline includes four legs—intracontinental, intertheater, intratheater, and point of employment—and involves numerous organizations responsible for various aspects of the distribution process for delivering supplies and equipment to Afghanistan. TRANSCOM, as DOD's Distribution Process Owner, is responsible for overseeing the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities. However, as applied and interpreted by DOD, TRANSCOM's oversight role does not extend all the way to final delivery to warfighters at forward-based combat outposts. Instead, its oversight efforts terminate at major logistics bases in Afghanistan. The oversight from these bases to combat outposts is carried out at varying levels and without uniformity by U.S. Forces-Afghanistan and its component services. As a result of this fragmented structure, TRANSCOM does not have the ability to conduct its oversight role all the way to final delivery to the warfighter, nor does it have the visibility over distribution performance from major bases to outposts necessary to fully oversee the effectiveness of the DOD-wide distribution system and coordinate potentially necessary improvements to the system.

First Three Legs of Distribution: Intracontinental, Intertheater, and Intratheater
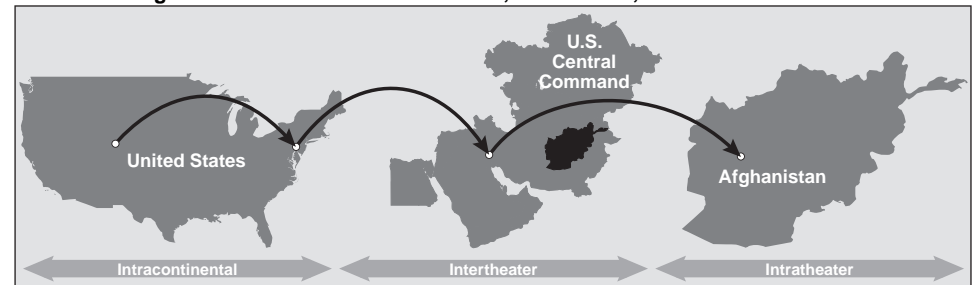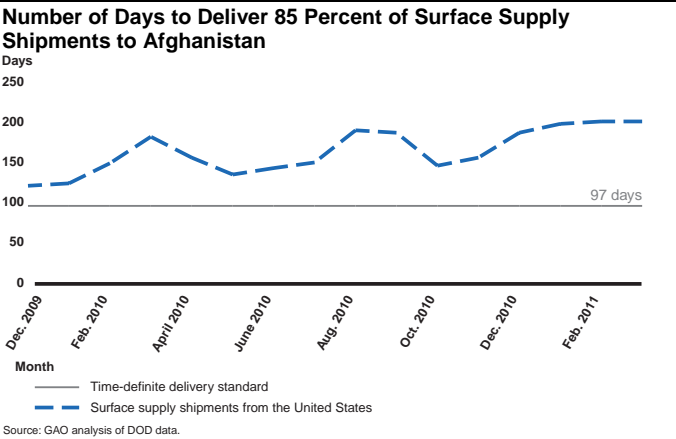

Source: GAO analysis of DOD joint doctrine.

Final Leg of Distribution: Point of Employment

Source: GAO analysis of DOD joint doctrine.

United States Government Accountability Office

DOD has not always met delivery standards and timelines for shipments to major logistics bases in Afghanistan, and it cannot conduct a full assessment of its delivery performance for surface shipments due to incomplete data. DOD has more frequently met delivery standards for shipments transported by airlift than for shipments transported on surface routes, due in large part to the various difficulties in transporting cargo on surface routes through neighboring countries and inside Afghanistan. For example, from December 2009 through March 2011, surface shipments of requisitioned supplies did not once meet the time-definite delivery standard that calls for 85 percent of shipments to arrive within 97 days of being ordered. In contrast, commercial air shipments from the United States met DOD's delivery standard six times over that time frame.

Number of Days to Deliver 85 Percent of Surface Supply Shipments to Afghanistan

Source: GAO analysis of DOD data.

Furthermore, data on DOD's performance in meeting its required delivery dates are incomplete. Specifically, 42 percent of unit shipments and 19 percent of sustainment shipments with required delivery dates during 2008 through 2010 did not have a documented delivery date in DOD's shipment database. As a result, the status of these shipments is not clear. For those shipments with complete data from 2008 through 2010, 42 percent of unit shipments and 63 percent of sustainment shipments arrived after their required delivery dates, with the majority of those arriving over 1 week late. Without accurate and complete data on when shipments are delivered, DOD lacks the information needed to assess its performance and to take actions to improve timely delivery of cargo to Afghanistan.

Delivery Status of Surface Shipments to Afghanistan

	2008-2010	
	Number	Percent
Delivery date not documented		
Unit shipments	10,928	42
Sustainment shipments	25,648	19
Delivered late		
Unit shipments	6,396	42
Sustainment shipments	68,634	63

Source: GAO analysis of DOD data.

DOD has taken some steps to mitigate challenges in distributing materiel to forces operating in Afghanistan, but GAO identified several challenges that continue to hinder the Department's distribution efforts:

- DOD does not have adequate radio-frequency identification information to track all cargo movements into and within Afghanistan.
- DOD does not have a common operating picture for distribution data and integrated transportation systems in support of Afghanistan operations.
- Complex customs clearance processes in Afghanistan and Pakistan continue to delay shipments of supplies and equipment.
- DOD continues to face difficulties in collecting information on all incidents of pilferage and damage of cargo.
- DOD is not effectively tracking and managing cargo containers for Afghanistan operations.

Collectively, these issues will likely continue to affect supply operations in Afghanistan and limit DOD's oversight of the supply chain. As a result, DOD's ability to identify and address gaps in distribution to support current deployments and redeployments, sustainment of deployed units, and any future drawdown efforts may be limited.

GAO's Recommendations for Executive Action

Of the 15 recommendations GAO is making, DOD did not concur with the following four recommendations:

GAO recommends DOD clarify its doctrine on how TRANSCOM is to oversee the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities and to include the final leg of distribution. GAO also recommends TRANSCOM improve its distribution metrics by receiving and including data for shipments from major bases to outposts in Afghanistan. In addition, GAO recommends DOD develop the necessary policies and procedures to ensure a sufficient level of data is entered onto radio-frequency identification tags.

DOD did not concur with the recommendations mentioned above and stated that, based on current guidance, TRANSCOM as Distribution Process Owner does not have oversight over the final leg of distribution and already tracks delivery standards for shipments to Afghanistan. DOD also stated that adequate policy and procedures exist for entering data onto radio-frequency tags.

DOD's approach of limiting the Distribution Process Owner's oversight to only the first three distribution legs leaves a fragmented process without any comprehensive oversight or visibility over the entire DOD-wide global distribution pipeline. In addition, although policy may be clear on what radio-frequency data is required, steps to ensure that requirements are met are not clearly implemented. As such, GAO continues to support these recommendations.

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Contents

Abbreviations

DOD	Department of Defense
RFID	radio-frequency identification
SDDC	Surface Deployment and Distribution Command
TRANSCOM	U.S. Transportation Command

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Congressional Addressees

One of the most significant challenges the Department of Defense (DOD) and the military services face in Afghanistan is the timely delivery of supplies and equipment to the warfighter. Billions of dollars of supplies and equipment continue to be sent to Afghanistan to support current operations. DOD's distribution of supplies and equipment into and within Afghanistan is a complex process that involves many organizations and utilizes both surface and air modes of transportation over various routes. Afghanistan has been described as the "harshest logistics environment on earth." It is a mountainous, arid, land-locked country with poorly developed infrastructure, including few roads, no railway, and few airports with limited amounts of paved runways. The terrain and weather in Afghanistan and surrounding countries pose further challenges to transporting supplies and equipment. Roads are narrow and often unpaved; some have one-way traffic alternating daily, and some are treacherous mountain passes. Winter weather, avalanches, and flooding often create obstacles and can cause delivery delays. While DOD relies on a combination of air and surface transportation modes to move supplies and equipment into and within Afghanistan, these austere conditions make airlift a vital part of this process.

In December 2009, the President reaffirmed the strategic goal in the March 2009 U.S. Strategy for Afghanistan and Pakistan to disrupt, dismantle, and defeat extremists in Afghanistan and Pakistan and prevent them from threatening the United States and its allies in the future. That same month, the President announced an additional 30,000 U.S. troops would be sent to Afghanistan by August 31, 2010, bringing the number of U.S. military personnel to about 98,000, with some drawdown efforts to begin in July 2011.

We have previously reported on logistics issues during contingency operations in Iraq and Afghanistan, and DOD's supply-chain management continues to be a high-risk issue.[1] For example, in December 2003, we

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[1]GAO, DOD's High-Risk Areas: Observations on DOD's Progress and Challenges in Strategic Planning for Supply Chain Management, GAO-10-929T (Washington, D.C.: July 27, 2010).

noted the backlog of hundreds of pallets and containers of materiel at various distribution points due to transportation constraints and inadequate asset visibility, along with radio-frequency identification (RFID) tags not being effectively used to track materiel in transit to, within, and from Iraq.[2] Also, in August 2005, we reported that the role of the Distribution Process Owner[3] was not clearly defined and, as a result, accountability and authority for improving the distribution system remain unclear, and that the Distribution Process Owner's roles and responsibilities may overlap with those of other organizations that are involved in deployment and distribution.[4] We recommended that the Secretary of Defense clarify the responsibilities, accountability, and authority between the Distribution Process Owner and Defense Logistics Executive, issue a directive to institute these clarifications, direct that improvements be made in DOD's logistics transformation strategy, and address underfunding of new communications and tracking systems. Most recently, in June 2010, we reported that DOD has taken some steps to improve its processes for distributing materiel to deployed forces but continued to face difficulties with transporting cargo through neighboring countries and within Afghanistan, limited airfield infrastructure, lack of full visibility over cargo movements, limited storage capacity at major logistics bases, difficulties in synchronizing the arrival of units and equipment, lack of coordination between the United States and other coalition forces for delivery of supplies and equipment, and low transportation priority for contractors.[5] We noted DOD had recognized these challenges and had ongoing or planned efforts to mitigate some of them. A list of these and other related GAO products is included at the end of this report.

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[2] GAO, Defense Logistics: Preliminary Observations on the Effectiveness of Logistics Activities during Operation Iraqi Freedom, GAO-04-305R (Washington, D.C.: December 18, 2003).

[3]The responsibilities of the Distribution Process Owner—a role designated to U.S. Transportation Command (TRANSCOM) by DOD—include overseeing the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities, including force projection, sustainment, and redeployment operations.

[4] GAO, Defense Logistics: DOD Has Begun to Improve Supply Distribution Operations, but Further Actions are Needed to Sustain These Efforts, GAO-05-775 (Washington, D.C.: August 11, 2005).

[5] GAO, Warfighter Support: Preliminary Observations on DOD's Progress and Challenges in Distributing Supplies and Equipment to Afghanistan, GAO-10-842T (Washington, D.C.: June 25, 2010).

Since our June 2010 report, DOD has continued to develop efforts to mitigate ongoing distribution challenges. For example, DOD has sought to mitigate storage capacity limitation at major logistic bases in Afghanistan by expanding bases at some locations. The Central Receiving and Shipping Point expansion plan at Bagram Airfield establishes a joint distribution-management center that will centralize all components of cargo movement and control, including RFID tagging. The expansion plan also consolidates working space for movement control teams, contractors, and supply support activities and creates outbound lanes for cargo and containers being moved off the base. As a result, according to DOD officials, the plan will improve storage capacity for both receiving and shipping points and will improve efficiencies at the distribution centers and supply support activities on base. Additionally, DOD has projects under way or completed to expand airfield capacity in Afghanistan, such as the ramp space built at Kandahar Airfield that can park an additional 10 aircraft. With regards to cargo transportation, in order to mitigate the high costs of airlift, DOD has begun to use a multimodal distribution transportation process—that is, a combination of surface and air transportation—to deploy cargo into theater more quickly and efficiently. For example, in 2007 DOD began to replace most up-armored high mobility, multi-wheel vehicles with Mine-Resistant, Ambush-Protected Vehicles to provide U.S. forces with significantly more protection against mines and improvised explosive devices. DOD sought to get the vehicles to Afghanistan in a relatively short time frame, thereby helping to reduce casualties. According to U.S. Transportation Command (TRANSCOM) data, directly airlifting more than 4,000 Mine-Resistant, Ambush-Protected All Terrain Vehicles to theater would have cost approximately $700 million, and delivering the vehicles by sealift would have cost less but incurred as much risk and challenges associated with ground routes. But transporting the Mine-Resistant, Ambush-Protected All Terrain Vehicles by a combination of airlift and sealift cost about $300 million less than direct airlift and also helped to free up limited air assets and minimize damage, pilferage, and border crossings associated with ground routes. DOD has also conducted studies examining distribution challenges in Afghanistan. For example, according to DOD, U.S. Central Command requested the department form a Joint Surface Assessment Team to assess distribution in Afghanistan. This team was a multi-service and multi-agency team that deployed to Afghanistan for more than 30 days, studying all aspects of distribution. The study produced a detailed report that identified multiple challenges that were negatively affecting distribution with recommendations for improvement in Afghanistan.

We conducted this review under the authority of the Comptroller General to conduct evaluations on his own initiative, in light of continuing congressional committee interest regarding DOD's progress and challenges in distributing supplies and equipment to Afghanistan. Our objectives for this review were to determine: (1) to what extent DOD has oversight of the distribution of supplies and equipment into and within Afghanistan; (2) to what extent DOD has provided the supplies and equipment needed to support operations in Afghanistan in accordance with DOD's established plans and timelines; and (3) what challenges have affected DOD's ability to provide the supplies and equipment needed to support operations in Afghanistan.

To determine the extent to which DOD has oversight of the distribution of supplies and equipment into and within Afghanistan, we reviewed joint doctrine[6] on logistics and the distribution of supplies and equipment and DOD guidance on the roles and responsibilities for TRANSCOM as the Distribution Process Owner,[7] and interviewed officials at the strategic, operational, and tactical levels to understand DOD's distribution oversight. To determine the extent to which DOD has provided the supplies and equipment needed to support operations in Afghanistan in accordance with DOD's established plans and timelines, we reviewed DOD policy and guidance on performance metrics, analyzed delivery data for shipments of unit equipment and sustainment items to Afghanistan, and evaluated those data against DOD's time-definite delivery standards and required delivery dates. To determine what challenges have affected DOD's ability to provide the supplies and equipment needed to support operations in Afghanistan, we reviewed DOD, service, and combatant command policies, guidance, and assessments regarding the challenges identified in this report, and conducted site visits and interviewed DOD officials in the United States and in the U.S. Central Command area of responsibility, including Afghanistan, Pakistan, Kuwait, Qatar, and Bahrain. Appendix I provides additional details for the scope and methodology.

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[6]See, for example, Joint Chiefs of Staff, Joint Pub. 4-0, Joint Logistics (July 18, 2008); Joint Chiefs of Staff, Joint Pub. 4-09, Distribution Operations (Feb. 5, 2010).

[7]See, for example, Department of Defense Instruction 5158.06, Distribution Process Owner (DPO) (July 30, 2007). (Hereinafter cited as DODI 5158.06.)

GAO-12-138 Warfighter Support

We conducted this performance audit from April 2010 through October 2011 in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

DOD's supply chain comprises many subordinate organizations, which must operate as a global network to deliver timely logistics support to the warfighter. According to Joint Publication 4-09, the fundamental goal of the supply chain is to maximize force readiness while optimizing allocation of resources.[8] DOD's distribution activities include deploying units and their equipment, such as vehicles and materiel owned by the unit and brought from the home station; delivering sustainment items, which are supplies such as food, water, construction materiel, parts, and fuel that are requisitioned by units already deployed; and executing the retrograde of repairable items, to support maintenance activities.

DOD ships unit equipment and sustainment items to Afghanistan using a combination of surface and air routes. Most shipments are transported either by commercial sealift to Pakistan's seaports in Karachi and then trucked by contractors to Afghanistan or along the Northern Distribution Network by commercial sealift, trains, and trucks through Western Europe and central Asian countries into Afghanistan.[9] Military and commercial airlift are used to transport high-priority supplies and equipment, as well as sensitive items, such as weapon systems and ammunition, into Afghanistan. Whether transported by surface or air, shipments arrive at major logistics bases in Afghanistan, which are military bases capable of handling large volumes of personnel and cargo, such as Bagram and Kandahar Airfields. DOD has established distribution metrics to assess its

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[8]See Joint Pub. 4-09 at I-11.

[9]In May 2009, DOD began using an alternative surface route, known as the Northern Distribution Network, which relies on contracted ships, railways, and trucks to transport nonlethal sustainment items like construction materiel through western European and central Asian countries into Afghanistan. There are two main routes within this network: one starts at the Latvian port of Riga or the Estonian port of Tallinn and connects with Afghanistan via Russia, Kazakhstan, and Uzbekistan; the second route starts at the Georgian port of Poti, bypasses Russia, and reaches Afghanistan through the terrains of Azerbaijan, Kazakhstan, and Uzbekistan.

performance in providing timely delivery of unit equipment and sustainment items to major logistics bases.

Unit equipment and sustainment items may subsequently be transported from major logistics bases to outposts (i.e., forward operating bases or combat outposts) using a combination of surface and air transportation modes. Overall, there are about 17 major logistics bases and more than 300 outposts in Afghanistan. Within Afghanistan, cargo is moved to outposts primarily by means of host-nation, contractor-operated trucks, although military trucking assets are used in some instances. Additionally, high-priority and sensitive materiel, such as ammunition, that needs to be transported by air is loaded onto smaller aircraft and flown to outposts or air-dropped to units throughout the country.

DOD established the intracontinental, intertheater, and intratheater legs of the distribution pipeline to coordinate and synchronize the fulfillment of joint force requirements from the point of origin to the point of need. DOD also established distribution from the points of need to the points of employment, which are hundreds of forward outposts and bases throughout Afghanistan.[10] According to joint doctrine, distribution is a critical element of joint operations that synchronizes all elements of the logistic system to deliver the "right things" to the "right place" at the "right time" to support the geographic combatant commander.[11] The geographic combatant commander determines the point of need, which can be a major aerial port or seaport of debarkation, an austere airfield, a sea base, or any forward location within the operational area (e.g., open fields, parking lots, highways). TRANSCOM serves as the DOD single manager for transportation (other than service-unique or theater-assigned assets) responsible for providing common-user and commercial air, land, and sea transportation and terminal management.

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[10]The point of employment is a physical location designated by the commander at the tactical level where force employment, emplacement, or commodity consumption occurs.

[11]Joint Pub. 4-09 at I-1.

TRANSCOM Does Not Have Full Oversight of the Distribution of Supply and Equipment to the Warfighter in Afghanistan

TRANSCOM does not have full oversight of the distribution of supply and equipment to the warfighter in Afghanistan. According to joint doctrine, DOD's distribution pipeline includes four legs involving numerous organizations responsible for various aspects of the distribution process for delivering supplies and equipment to Afghanistan. DOD guidance also states that TRANSCOM, as DOD's Distribution Process Owner, is responsible for overseeing the effectiveness, efficiency, and alignment of DOD-wide distribution activities. Although TRANSCOM has established processes for oversight of distribution of supplies and equipment for the first three legs, the execution of TRANSCOM's oversight across the entire DOD-wide global distribution pipeline, to include the fourth leg, is not clearly defined. According to TRANSCOM officials, it maintains some awareness over the final leg of distribution by working with U.S. Central Command. However, TRANSCOM officials stated this current structure can result in loss of visibility over warfighter requirements and loss of confirmation that the supplies and equipment were received. Joint doctrine has established that delivery within the fourth leg is not a joint responsibility, but rather a service-specific responsibility, as designated by the geographic combatant commander. However, TRANSCOM's responsibilities, including as Distribution Process Owner, suggest a role in overseeing efficiency, alignment, and synchronization DOD-wide, throughout the global distribution pipeline, which includes the fourth leg.[12] Without full oversight over all legs of the distribution process, TRANSCOM is limited in carrying out its assigned responsibility to oversee "the overall effectiveness, efficiency, and alignment of DOD-wide

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[12] Following our analysis, DOD stated in comments on this report, based on the Joint Logistics (Distribution) Joint Integrating Concept, DOD Instruction 5158.06, and responsibilities of the Services under Title 10 of the United States Code, that the Distribution Process Owner's authority and oversight responsibility extends to the point of need, not to the point of employment. However, as we explain in our response to DOD comments, this position indicates confusion within DOD regarding TRANSCOM's role, including its responsibilities as Distribution Process Owner, as demonstrated by statements made to GAO and publicly by TRANSCOM and DOD officials regarding the purpose, role, and span of influence of the Distribution Process Owner. This explanation of guidance also contrasts with language within other guidance, including Joint Publication 4-09, DOD Directive 5158.04, and the 2011 Unified Command Plan. Moreover, DOD's approach of limiting the Distribution Process Owner's oversight to only the first three distribution legs yields fragmentation within the DOD-wide global distribution pipeline and hinders its capacity to fulfill its responsibilities within the first three legs of the global distribution pipeline.

distribution activities"[13] in the first three legs and impeded in its broader role and responsibilities with respect to global distribution.

DOD's Distribution Pipeline to Afghanistan Includes Four Legs Involving Numerous Organizations

As envisioned in joint doctrine,[14] DOD's global distribution pipeline to Afghanistan includes four legs—intracontinental, intertheater, intratheater, and point of employment.[15] The first three legs are a joint responsibility between numerous organizations responsible for various aspects of the distribution process, as illustrated in figure 1 below. Responsibility for the fourth leg—point of employment—lies with U.S. Central Command and U.S. Forces-Afghanistan and its subordinate units, as illustrated in figure 2 below.

Figure 1: First Three Legs of Distribution: Intracontinental, Intertheater, and Intratheater
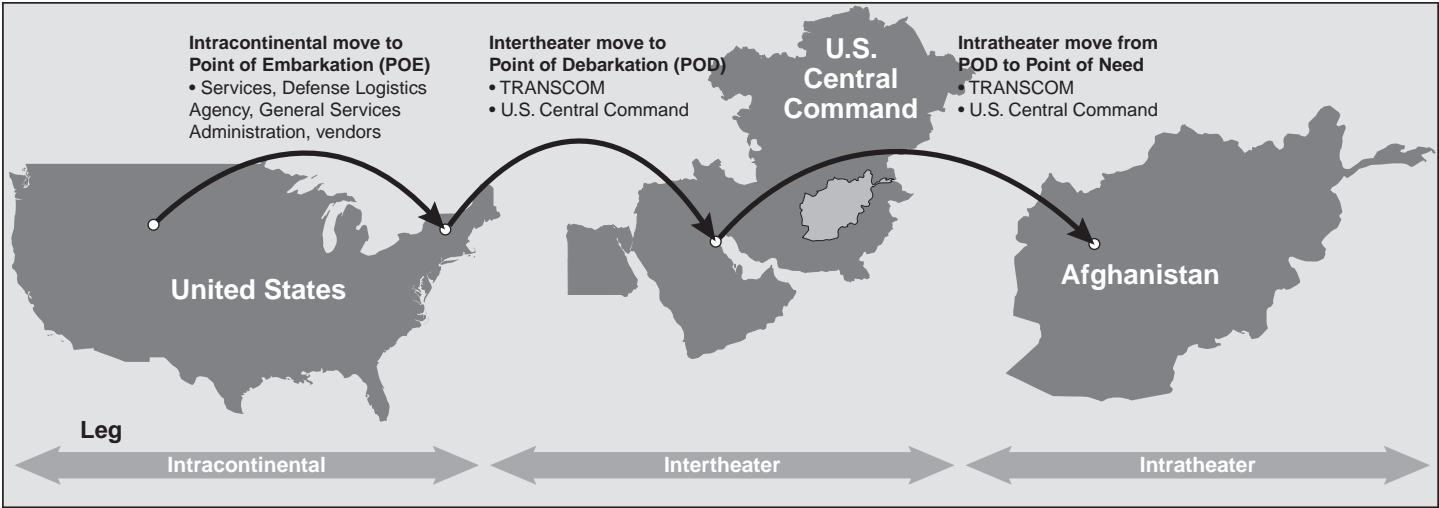
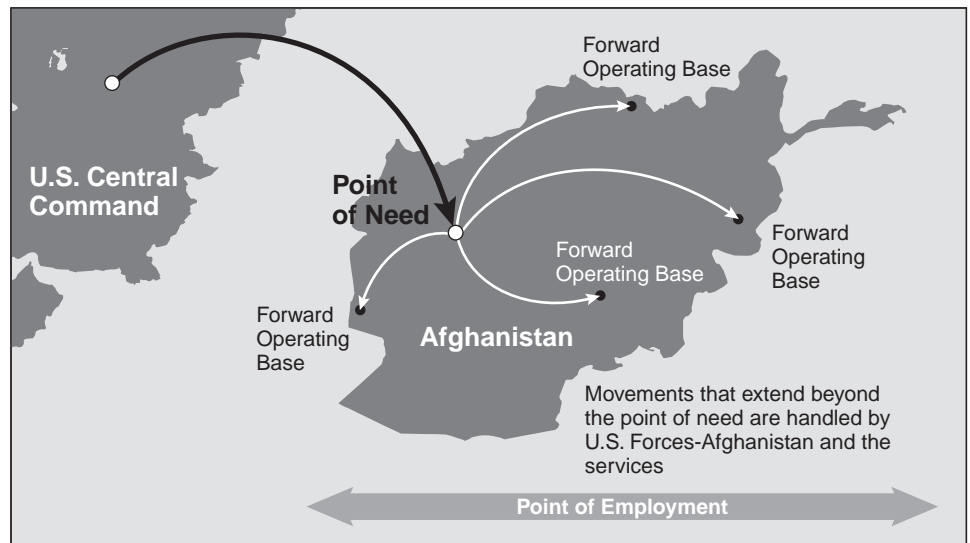

Source: GAO analysis of DOD joint doctrine.

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[13]DODI 5158.06, § 5.4.1.

[14]Joint Pub. 4-09.

[15]Although joint doctrine does not name the fourth leg, merely noting that it extends beyond the point of need to the point of employment, we use the term "point of employment" to refer to the final leg, as it was a term that was used during discussions with DOD.

- **Intracontinental.** This leg includes movement from the point of origin (e.g., originating warehouse or base) to a port of embarkation, such as a seaport or aerial port in the United States. Along this first leg of distribution, TRANSCOM's role includes monitoring the incoming supply and coordinating how items will move into theater once the suppliers have delivered it to the port of embarkation. DOD agencies tasked with providing the incoming supplies include the Defense Logistics Agency, the General Services Administration, Army Materiel Command, and commercial vendors. These suppliers arrange for delivery to the point of embarkation. TRANSCOM executes its role through a coordination cell at its headquarters at Scott Air Force Base, Illinois, where it aligns requirements with available transportation assets. To execute this role, it receives requirements from U.S. Central Command on theater needs and deadlines; it receives supplier updates on expected delivery dates; and gets reports on asset availability, from its component commands—Air Mobility Command, Surface Deployment and Distribution Command (SDDC), and Military Sealift Command—on what air and sea assets are available for lift.
- **Intertheater.** This leg includes movement from the port of embarkation (e.g., aerial port or seaport in the United States) to the port of debarkation (e.g., aerial port or seaport) in the U.S. Central Command area of responsibility, such as in Pakistan, Kuwait, or Qatar. Along this second leg of distribution, TRANSCOM allocates and tasks its component commands to ship items via airlift, sealift, truck, or rail.
- **Intratheater.** This leg includes movement from the port of debarkation to the designated point of need in theater (e.g., major logistics base like Bagram or Kandahar Airfields) in Afghanistan. Operation of the intratheater leg is the responsibility of the supported geographic combatant command. To coordinate and synchronize this leg of distribution, TRANSCOM partnered with U.S. Central Command, the Defense Logistics Agency, and Army Materiel Command to establish the Central Command Deployment and Distribution Operations Center. According to TRANSCOM officials, TRANSCOM's functional responsibilities end when the item has been delivered to the point of need, usually to a supply warehouse or other location at a major logistics base in Afghanistan. However, TRANSCOM acknowledged that although its functional responsibility ends at the point of need, as Distribution Process Owner, it must also coordinate and synchronize a global distribution tempo that is responsive to the requirements, capabilities, and military limitations extending to the point of employment.

Figure 2: Final Leg of Distribution: Point of Employment

Source: GAO analysis of DOD joint doctrine.

- **Point of Employment.** This leg includes movement from the point of need (e.g., major logistics base) to the point of employment (e.g., forward operating base or combat outpost). Joint doctrine has established that delivery to the hundreds of forward outposts and bases throughout Afghanistan is not a joint responsibility. Instead, Joint Publication 4-09 establishes that movement that extends beyond the point of need to the point of employment "is a service-specific responsibility as designated by the [geographic combatant commander]."[16] In Afghanistan, this role is carried out by U.S. Forces-Afghanistan and its subordinate units. According to DOD documentation, DOD has designated U.S. Forces-Afghanistan's subordinate sustainment command, Joint Sustainment Command-

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[16]Joint Pub. 4-09 at I-12.

Afghanistan, as responsible for coordinating this last leg of distribution.[17]

The Execution of TRANSCOM's Responsibility for Oversight across All Four Legs of the Distribution Pipeline Is Not Clearly Defined

How TRANSCOM should execute its responsibility for oversight across the distribution pipeline is not clearly defined. In 2007, the Office of the Secretary of Defense, Undersecretary of Defense for Acquisition, Technology and Logistics, issued guidance regarding the role of TRANSCOM as DOD's Distribution Process Owner.[18] According to the guidance, TRANSCOM is responsible for overseeing "the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities, including force projection, sustainment and redeployment/retrograde operations" consistent with certain DOD directives.[19] Joint doctrine provides a similar explanation of TRANSCOM's oversight role.[20] According to DOD officials, the intent of the Distribution Process Owner policy and joint doctrine was for TRANSCOM to have oversight of the entire distribution pipeline from the warehouse to the warfighter.[21] According to Office of the Secretary of Defense officials, the term "DOD-wide" encompasses the entire global distribution pipeline, including the fourth leg. Later, in comments provided after our analysis, DOD maintained that the Distribution Process Owner's responsibility extends only to the point of need. However, this interpretation and the above earlier statements demonstrate some degree of confusion within DOD. Ultimately, how TRANSCOM should execute its responsibility to oversee DOD-wide distribution activities, and its role in

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[17] In its comments on our report, DOD indicated that TRANSCOM's role as Distribution Process Owner does not extend to the point of employment, ending instead at the point of need. As explained previously and elaborated upon in our response to DOD's comments, this interpretation and the resulting impairment of visibility over the final leg indicates confusion and fragmentation in the global distribution system as a whole and impedes TRANSCOM's ability to fulfill its responsibilities in the first three legs.

[18]See DODI 5158.06.

[19]DODI 5158.06, § 5.4.1. The provision references Department of Defense Directives 5158.04, pertaining to TRANSCOM, and 4500.09E, pertaining to transportation and traffic management.

[20]Joint Publication 4-09 describes the responsibility as "[o]versee[ing] the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities, including force projection (force movement), sustainment, and retrograde operations." Joint Pub. 4-09 at I-5.

[21]This oversight role is in contrast to TRANSCOM's functional role in the actual movement of supplies, which only extends to the point of need.

the global distribution pipeline, which itself includes the fourth leg, is not clearly defined.

Because neither the Distribution Process Owner guidance nor joint doctrine explains clearly how TRANSCOM is to exercise oversight of the entire distribution pipeline, TRANSCOM has focused primarily on overseeing the effectiveness of the first three distribution legs. For example, to help carry out its responsibilities as Distribution Process Owner, TRANSCOM uses performance metrics to monitor the effectiveness of DOD's distribution system to deliver the right things to the right place at the right time. However, TRANSCOM tracks performance metrics—for example, time-definite delivery standards and required delivery dates—only for delivery to the point of need, or major logistics base, in Afghanistan. U.S. Forces-Afghanistan and its subordinate units track their own performance metrics—for example, whether host-nation trucks meet required load dates and required delivery dates—to assess the timeliness of delivery from the major logistics base to a forward operating base or combat outpost. However, DOD officials stated that U.S. Forces-Afghanistan does not report this performance assessment to TRANSCOM. Without regular reports from U.S. Forces-Afghanistan on delivery performance within Afghanistan, TRANSCOM is unable to measure the success of the entire distribution process and carry out its responsibility to oversee the effectiveness of DOD-wide distribution activities, even if limited to the first three legs of the global distribution pipeline.

Furthermore, because TRANSCOM maintains oversight of only the first three distribution legs and not all of the way to the ultimate points of employment (e.g., forward operating bases or combat outposts), there is no single DOD entity with full oversight of the entire distribution pipeline. As a result, DOD has a limited ability to coordinate potentially necessary improvements in distributing equipment and supplies to the warfighter in Afghanistan. For example, TRANSCOM currently may not be able to identify and coordinate a response to shortages in transportation assets or delays in delivering cargo that occur at the theater level but also affect distribution in the other three legs. Additionally, lack of visibility and oversight of the point of employment may contribute to units reordering supplies and equipment that are already in transit, resulting in the use of additional transportation resources and capacity in an already constrained environment. If TRANSCOM maintained oversight through all four legs of the distribution pipeline, TRANSCOM would likely be better able to align and synchronize DOD distribution activities and capabilities to address systemwide challenges as they arise. As recently cited by the

Commander of TRANSCOM, TRANSCOM's intended span of influence as Distribution Process Owner is "factory to foxhole." However, without clear guidance on how to achieve visibility, at a minimum, over all legs of the DOD distribution pipeline, TRANSCOM will likely continue in its limited oversight role.[22]

DOD Has Not Always Met Delivery Standards and Timelines, and Does Not Have Complete Data to Fully Assess Performance

DOD has not always met performance standards and timelines for shipments to major logistics bases in Afghanistan, and it cannot conduct a full assessment of its delivery performance for surface shipments due to incomplete data.[23] DOD has more frequently met delivery standards for shipments transported by airlift than for shipments transported on surface routes, due in large part to the various difficulties in transporting cargo on surface routes through neighboring countries and inside Afghanistan. DOD has established two key performance metrics for delivery to major logistics bases—that is, military bases capable of handling large volumes of cargo—in Afghanistan. The first metric is time-definite delivery standards, which are applied only to sustainment shipments transported on surface and air routes; the second is required delivery dates, which are applied to both unit and sustainment shipments transported on surface routes. According to our analysis of DOD delivery data, sustainment shipments have not always met time-definite delivery standards from December 2009 through March 2011. Additionally, the extent to which unit and sustainment shipments have met required delivery dates is uncertain because data on DOD's performance are incomplete for many shipments. As a result, the status of these shipments is not clear. However, for those shipments with complete data from 2008 through 2010, DOD has not always met its required delivery dates.

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[22] Although DOD indicated in comments that TRANSCOM's role as the Distribution Process Owner ends at the point of need, this interpretation contrasts with language in guidance, such as Joint Publication 4-09, DOD Directive 5158.04, and the 2011 Unified Command Plan, that suggests a broader role for TRANSCOM with respect to the global distribution pipeline. For further discussion, see our response to DOD comments in the Agency Comments and Our Evaluation section of the report.

[23] A "shipment," as discussed in this section, may include a container, pallet, or other large cargo unable to fit into a container or on a pallet that is transported to Afghanistan on surface or airlift assets.

DOD Has Not Always Met Time-Definite Delivery Standards for Sustainment Shipments

DOD has not always met time-definite delivery standards for shipments of sustainment items to supply warehouses at major logistics bases in Afghanistan. DOD has set a goal that 85 percent of requisitioned sustainment shipments—including repair parts, major end items, construction materials, and petroleum products—transported to Afghanistan meet established time-definite delivery standards.[24] DOD assesses its performance in meeting the 85 percent goal by measuring the time it takes from the requisitioning of an item to the item's delivery to a supply warehouse at a major logistics base in Afghanistan. According to DOD guidance, time-definite delivery standards are designed to provide customers with the assurance that, in a specified level of probability, they will receive items ordered through DOD's logistics system in a definite period of time. The standards vary based on the mode of transportation used to deliver the shipments to Afghanistan: 85 percent of sustainment shipments transported on surface routes should arrive at a major logistics base's supply warehouse within 97 days of being ordered; shipments transported on military aircraft should arrive within 23 days; and shipments transported on commercial aircraft should arrive within 14 days. As figures 3 through 5 show, DOD did not always meet its time-definite delivery standards from December 2009 through March 2011, during which DOD increased the number of troops in Afghanistan by 30,000.

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[24]Although guidance provides some information on time-definite delivery standards, the specific time-definite delivery standards for Afghanistan and other locations were, according to TRANSCOM, developed and agreed upon by DOD's major distribution stakeholders—for example, TRANSCOM and its component commands, Defense Logistics Agency, the geographic combatant commands, and the military services. DOD's major distribution stakeholders execute their assigned legs of the supply chain and work jointly to meet the time-definite delivery standards, while TRANSCOM monitors DOD's performance in meeting the standards.

Figure 3: Number of Days to Deliver 85 Percent of Surface Supply Shipments to Afghanistan
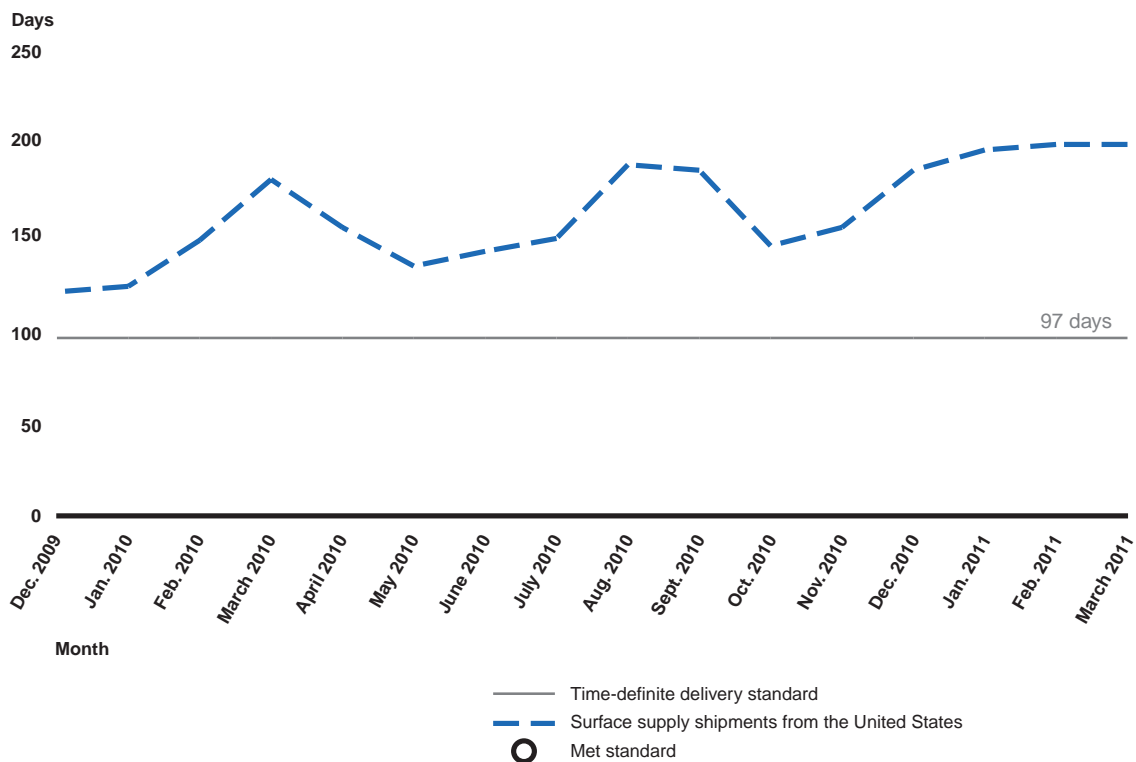
Source: GAO analysis of DOD data.

Note: According to DOD officials, the time-definite delivery standard went into effect in December 2009.

- For surface shipments of sustainment items, DOD did not once achieve its goal of delivering 85 percent of shipments within 97 days of being ordered. On average, 36 percent of shipments met the time-definite delivery standard, and 85 percent of delivered shipments arrived within 165 days. According to DOD, delivery times for shipments transported both through Pakistan and along the Northern Distribution Network are measured against the 97-day delivery standard. In June 2011, U.S. Central Command set a goal that 75 percent of cargo shipped to Afghanistan be transported along the Northern Distribution Network; however, DOD has not established a separate time-definite delivery standard for surface shipments along the Northern Distribution Network, which takes longer to transit than the surface routes through Pakistan.

Figure 4: Number of Days to Deliver 85 Percent of Military Air Supply Shipments to Afghanistan

Time-definite delivery standard

Military air supply shipments from the United States

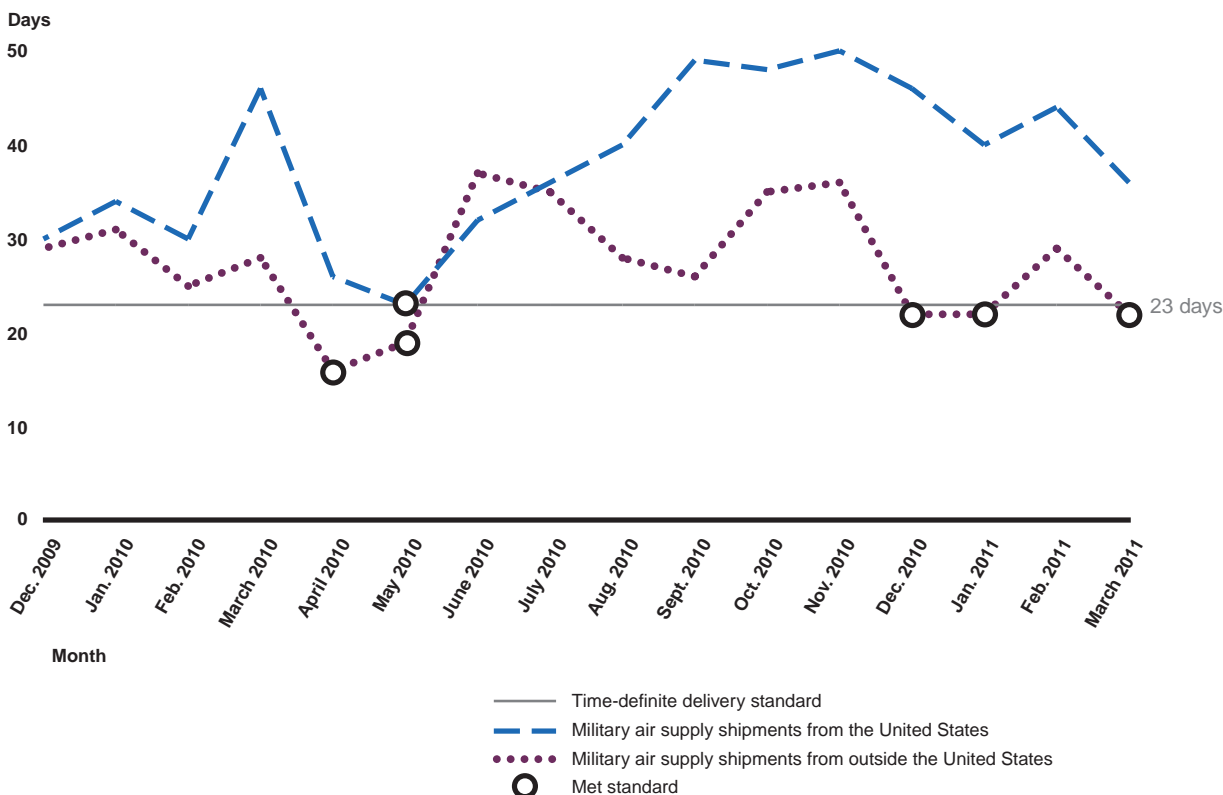Military air supply shipments from outside the United States

Met standard

Source: GAO analysis of DOD data.

Note: According to DOD officials, the time-definite delivery standard went into effect in December 2009.

- For military air shipments of sustainment items, DOD achieved its goal of delivering 85 percent of shipments within 23 days of being ordered one time for shipments from the United States and five times for shipments from outside the United States.[25] On average, 65 percent and 81 percent of military air shipments originating in the

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[25]Requisitioned sustainment items may be sourced and transported from various DOD and commercial supply facilities across the world. According to officials, DOD attempts to source requisitioned items as close as possible to the customer in order to reduce wait time. For military and commercial air shipments of sustainment items, DOD measures performance in meeting time-definite delivery standards for shipments originating in the United States and also for those originating outside the United States.

United States and outside the United States, respectively, met the time-definite delivery standard, and 85 percent of delivered shipments arrived within 38 and 28 days, respectively.

Figure 5: Number of Days to Deliver 85 Percent of Commercial Air Supply Shipments to Afghanistan

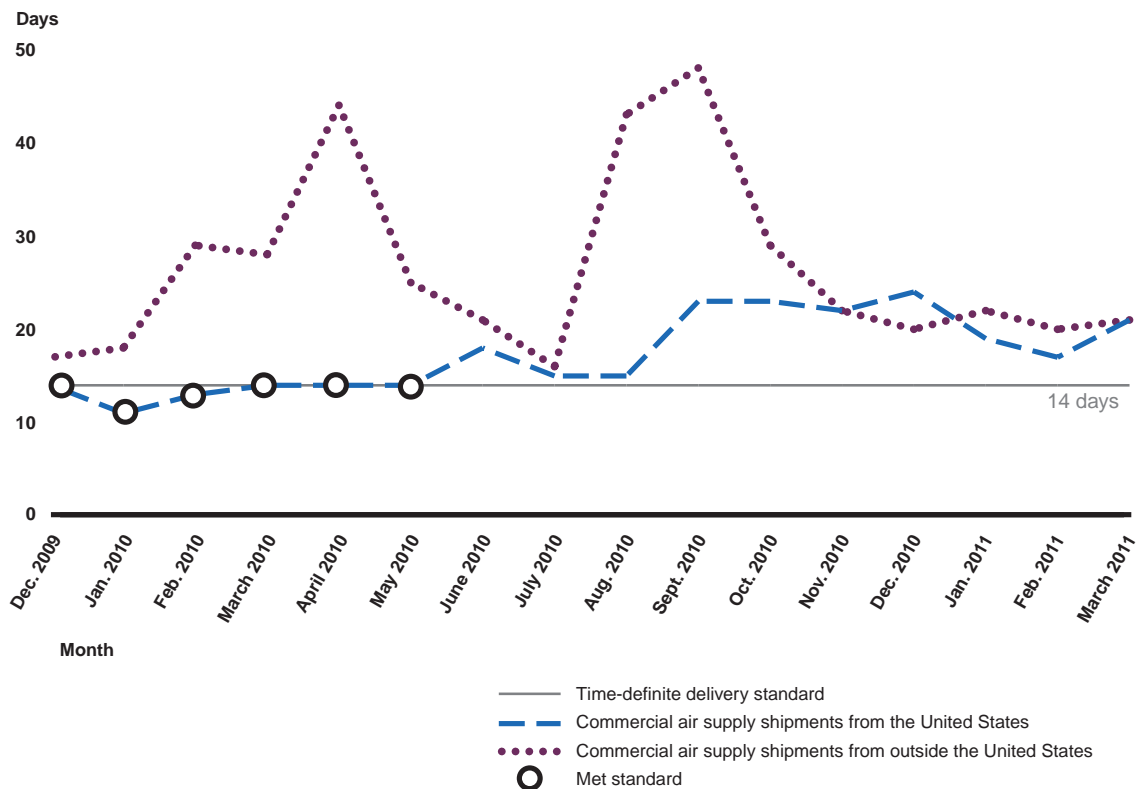Source: GAO analysis of DOD data.

Note: According to DOD officials, the time-definite delivery standard went into effect in December 2009.

- For commercial air shipments of sustainment items, DOD achieved its goal of delivering 85 percent of shipments within 14 days of being ordered six times for shipments from the United States and zero times for shipments from outside the United States. On average, 80 percent and 72 percent of commercial air shipments originating in the United States and outside the United States, respectively, met the time-definite delivery standard, and 85 percent of delivered shipments arrived within 17 and 26 days, respectively.

Sustainment items delivered to supply warehouses at major logistics bases are either transported to or picked up by the customer who ordered the item. This additional delivery time is not measured against the time-definite delivery standards, which are set only for delivery to a major logistics base.

According to TRANSCOM, time-definite delivery standards were not met for a variety of reasons. For surface shipments, delivery standards were not met due to the challenges of transporting cargo through Pakistan and along the Northern Distribution Network, and also reception delays at supply warehouses resulting from high levels of incoming cargo and limited warehouse space and personnel. For air shipments, delivery standards were not met due to limited aerial port capacity and available slot times in Afghanistan; processing delays at aerial ports resulting from limited storage space for incoming cargo and available personnel to process the cargo; and occasional delays in building pallets at aerial ports in the United States because of low cargo volume for shipments to some locations in Afghanistan. DOD's stakeholders use this information to collaborate to address the causes for delays. For example, TRANSCOM and the other stakeholders meet on a monthly basis to discuss ways to improve DOD's performance in meeting the standards for sustainment shipments to Afghanistan. Efforts to improve distribution performance are essential, as delays in delivering requisitioned repair parts, major end items, and other supplies may negatively affect warfighters who are expecting those shipments to arrive in a definite period of time in order to conduct their missions.

DOD Does Not Have Complete Data to Fully Assess Performance, although Available Data Show DOD Has Not Always Met Required Delivery Dates

Due to incomplete data in its shipment database, DOD cannot conduct a full assessment of its delivery performance in meeting required delivery dates—that is, the dates on which surface shipments are supposed to arrive at major logistics bases in Afghanistan. As DOD's Distribution Process Owner, TRANSCOM is responsible for overseeing the effectiveness of DOD-wide distribution activities. To assist in performing this oversight, TRANSCOM's component command, SDDC,[26] maintains a database that tracks the required delivery dates and actual delivery dates

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[26]SDDC is the Army component command of TRANSCOM responsible for surface transportation of cargo, to include transportation on sea, roads, and rail. SDDC contracts with commercial carriers to deliver supplies and equipment to Afghanistan through Pakistan and along the Northern Distribution Network.

for surface shipments to Afghanistan. Commercial carriers are responsible for electronically documenting when the delivery of a shipment occurs. However, as Table 1 shows, 42 percent of unit surface shipments and 19 percent of sustainment surface shipments with required delivery dates in 2008 through 2010 did not have a documented delivery date in the database.

Table 1: Unit and Sustainment Surface Shipments (with a Required Delivery Date between 2008 and 2010) That Did and That Did Not Have a Documented Delivery Date in Afghanistan

	2008	2009	2010	2008-2010
Unit Surface Shipments				
Delivery Date Documented	38%	67%	56%	58%
	829	5,750	8,437	15,016
Delivery Date not Documented	62%	33%	44%	42%
	1,338	2,884	6,706	10,928
Sustainment Surface Shipments				
Delivery Date Documented	68%	78%	87%	81%
	16,091	36,232	55,947	108,271
Delivery Date not Documented	32%	22%	13%	19%
	7,629	9,956	8,063	25,648

Source: GAO analysis of SDDC data, as of March 2011.

As a result, the status of these shipments is not clear. According to SDDC, a very small number of these shipments were lost in transit due to pilferage or hostile attacks, and the vast majority of the shipments were delivered but not documented in the database.

According to SDDC, it can request documentation to verify that a cargo shipment has been delivered, but it does not always do this and, when it does, SDDC does not always update its shipment database with the delivery date information. A TRANSCOM contract with commercial carriers that transport cargo to Afghanistan requires that the carriers provide delivery receipts for the recipient to sign upon delivery of cargo. In cases where SDDC wants to verify that delivery has occurred but the shipment database has not been updated with a delivery date, officials stated that SDDC can request the delivery receipt to show that the shipment was actually delivered, and whether it met the required delivery date. However, SDDC does not always request a delivery receipt to verify that those shipments in its database without a documented delivery date were actually delivered. Furthermore, even when receipts are requested
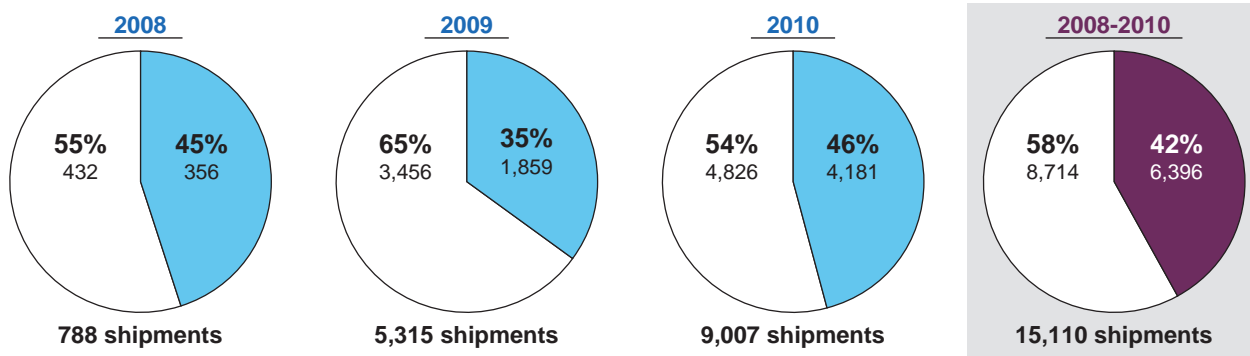
to verify delivery, SDDC does not always update the shipment database with data on when the delivery occurred. Consequently, the database may continue to lack documentation that a shipment was delivered.

Also according to SDDC, commercial carriers with contracts to transport cargo to Afghanistan do not always electronically document the delivery of a shipment. Carriers electronically document into their own databases when a shipment is delivered, and their databases subsequently upload that delivery data into the SDDC database. However, a carrier may be unable to deliver a shipment by the required delivery date due to various circumstances, identified by officials as including extreme weather, labor strikes, hostile attacks, or border-crossing constraints. When this occurs, the carrier submits an electronic notification that the shipment cannot be delivered on time, and, in some circumstances, if authorized, the carrier may be released from its obligation to meet the required delivery date. According to SDDC, many carriers have indicated their belief that once they are released from their obligation to deliver the shipment by its required delivery date, they do not subsequently have to electronically document the delivery when it eventually occurs. As a result, the shipment database has not been updated by the carriers with the delivery dates for a substantial number of shipments to Afghanistan. In the next version of DOD's contract with commercial carriers, SDDC officials told us that they plan to require carriers to always electronically document when a shipment is delivered, even if a carrier cannot meet the shipment's required delivery date due to circumstances beyond its control.
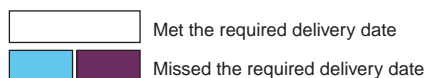
For shipments of unit equipment and sustainment items that did have complete delivery data, DOD did not always deliver those shipments by their required delivery dates. From 2008 through 2010, 42 percent of unit surface shipments and 63 percent of sustainment shipments with documented delivery arrived after their required delivery dates. During this time frame, DOD delivered substantially more sustainment shipments than unit shipments, and the number of sustainment shipments delivered after their required delivery dates increased from 36 percent of total sustainment shipments in 2008 to 67 percent in 2010. Also over that time frame, the number of both unit and sustainment shipments increased each year, which corresponds with the increased number of U.S. military personnel deployed to Afghanistan. Figure 6 shows DOD performance in meeting its required delivery dates for those shipments with a documented delivery date.

Figure 6: Unit and Sustainment Surface Shipments Delivered to Afghanistan That Met and Missed the Required Delivery Date

Unit surface shipments

2008	2009	2010	2008-2010
55% 432 / 45% 356	65% 3,456 / 35% 1,859	54% 4,826 / 46% 4,181	58% 8,714 / 42% 6,396
788 shipments	5,315 shipments	9,007 shipments	15,110 shipments

Sustainment surface shipments

2008	2009	2010	2008-2010
64% 8,520 / 36% 4,795	34% 11,920 / 66% 23,555	33% 19,800 / 67% 40,284	37% 40,240 / 63% 68,634
13,315 shipments	35,475 shipments	60,084 shipments	108,874 shipments

☐ Met the required delivery date
☐ Missed the required delivery date
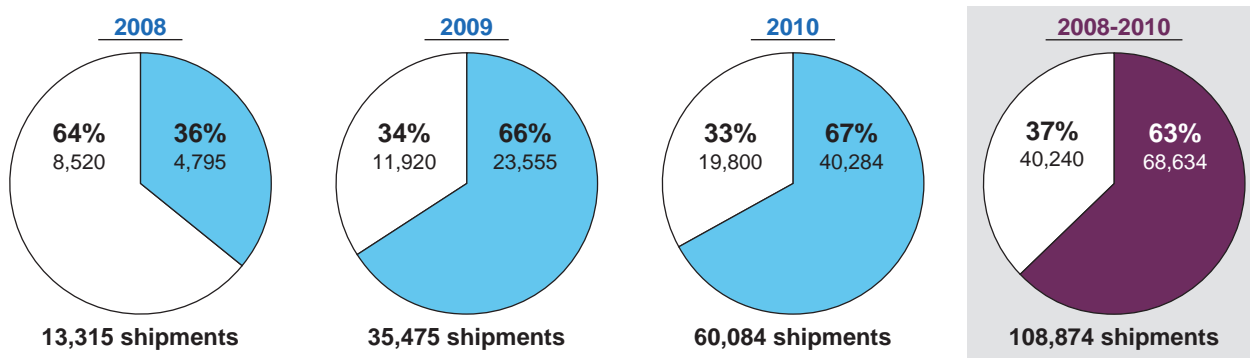
Source: GAO analysis of SDDC data.

Note: This figure includes only those shipments that had an electronically documented delivery date in the SDDC shipment database. These shipments were delivered during one of the three years shown in this figure, which may not have been the year of their required delivery date. For example, 829 unit shipments with a required delivery date in 2008 had a documented delivery date (see Table 1). However, only 788 unit shipments were recorded as delivered to Afghanistan in 2008, of which 776 shipments had a 2008 required delivery date. The remaining 53 unit shipments with a 2008 required delivery date were delivered after that year.

- In 2008, 45 percent of unit shipments and 36 percent of sustainment shipments missed their required delivery dates. Of the late unit shipments, 35 percent were more than 1 week late, and 1 percent were more than 30 days late. Of the late sustainment shipments, 63

percent were more than 1 week late, and 20 percent were more than 30 days late.

- In 2009, 35 percent of unit shipments and 66 percent of sustainment shipments missed their required delivery dates. Of the late unit shipments, 52 percent were more than 1 week late, and 13 percent were more than 30 days late. Of the late sustainment shipments, 83 percent were more than 1 week late, and 41 percent were more than 30 days late.
- In 2010, 46 percent of unit shipments and 67 percent of sustainment shipments missed their required delivery dates. Of the late unit shipments, 66 percent were more than 1 week late, and 24 percent were more than 30 days late. Of the late sustainment shipments, 84 percent were more than 1 week late, and 47 percent were more than 30 days late.

Units and their equipment often may be further transported from one of 17 major logistics bases[27] to one of the approximately 300 forward operating bases or combat outposts, and sustainment items delivered to supply warehouses are either transported to or picked up by the customer who ordered them. This additional delivery time is not measured against the required delivery date, which is set only for delivery to a major logistics base.

The unit and sustainment shipments that were delivered after their required delivery dates included several classes of supply and were delayed due to a variety of reasons. The majority of late unit shipments included major end items—such as large vehicles and materiel-handling equipment—and clothing, individual equipment, tools, and administrative supplies. For late sustainment shipments, the majority included construction materials; food, drink, health, and welfare items; and some major end items, such as large vehicles, materiel-handling equipment, and storage containers. These classes of supply were documented in DOD's surface shipment data as the types of cargo contained in the shipments delivered after their required delivery dates. According to SDDC officials, the class of supply documented as being contained in the late shipment may not be the only type of cargo contained in the shipment, but the documented class of supply was either the shipment's highest priority or its most expensive item. Thus, additional types of cargo

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[27]According to SDDC, commercial carriers contracted by SDDC transport unit and sustainment shipments to 17 major logistics bases in Afghanistan.

may have been contained in the unit and sustainment shipments delivered after their required delivery dates, but at a minimum they contained the classes of supply listed above. According to SDDC, shipments delivered after their required delivery dates were delayed due to a variety of reasons, including restricted ability to cross the Pakistan-Afghanistan border, delays in clearing customs procedures for entry into Afghanistan, backlogs at the northern border crossings into Afghanistan, delays in processing customs clearance through Uzbekistan along the Northern Distribution Network, substantial flooding in Pakistan in 2010, hostile attacks in Pakistan and Afghanistan, and entry backlogs and delays at bases in Afghanistan. Officials stated that the limited ability of some bases in Afghanistan to receive large volumes of cargo shipments has caused DOD to use container yards outside of these bases to receive and store cargo until the base can receive the shipment. This additional holding time may cause a shipment to miss its required delivery date. Delays in delivering unit and sustainment shipments to Afghanistan could potentially have negative consequences for the warfighters who depend on those equipment and supplies to conduct their missions.

Furthermore, without accurate and complete data on when shipments are delivered, DOD and its components lack the information necessary to assess its performance in meeting required delivery dates for shipments transported over surface routes, to maintain accountability of cargo shipments to Afghanistan, and to take corrective actions to improve supply management. For example, the analysis of DOD's performance in meeting required delivery dates from 2008 through 2010 discussed above is incomplete, as that analysis does not and cannot assess DOD's performance in delivering surface shipments on time if those shipments do not have a documented delivery date. According to officials, SDDC assumes that shipments without a documented delivery date in the shipment database have been delivered after their required delivery date, but that status cannot be verified without a documented delivery date. In addition, SDDC cannot always be assured that delivery actually occurred, as the status of these shipments is unclear based on the data available in the shipment database. The ability to accurately assess delivery performance for and maintain accountability of these shipments is particularly important because, according to TRANSCOM data, almost two-thirds of cargo tonnage shipped to Afghanistan is transported by sea and then over ground routes through Pakistan or along the Northern Distribution Network.

DOD Continues to Face Several Challenges in Distribution Support for Afghanistan

DOD continues to face several challenges in distribution support for Afghanistan. Specifically, these challenges include visibility over supplies and equipment into and within Afghanistan, integration of transportation information systems, clearing customs, collection and reporting of pilferage incidents, and container management.

DOD Does Not Have Full Visibility over Surface Movements of Supplies and Equipment into and within Afghanistan

DOD does not have full visibility over surface movements of supplies and equipment into and within Afghanistan. We first reported on limited visibility of cargo in transit in June 2010, and DOD has taken several actions to address this issue. In order to gain visibility over surface movements, DOD utilizes, among other things, RFID technology. RFID technology transmits data from tags to readers. A tag can be attached to or embedded in an object to be identified, such as a product, case, or pallet. A reader scans the tag for data and sends the information to a database. While DOD has some efforts in place to mitigate in-transit visibility challenges and improve visibility over the distribution process, it still does not have full visibility over its cargo in transit to and within Afghanistan due to inadequate information on cargo movements. For example, visibility continues to be hampered by a limited infrastructure of RFID readers along surface routes to and within Afghanistan. Additionally, not all data entered onto RFID tags meet DOD policy requirements for both detail and accuracy, leaving personnel without adequate information on the contents of shipments, hindering their ability to effectively plan for the receipt and onward movement of cargo at bases.

DOD has some efforts in place to mitigate in-transit visibility challenges. According to DOD, the department directed the formation of an Afghanistan In-Transit Visibility Joint Task Force to address the multiple visibility challenges related to the movement of equipment and supplies in Afghanistan. The task force reviewed, analyzed, and validated Afghanistan in-transit visibility requirements and recommended potential near-term solutions to improve shipments into and within Afghanistan. DOD also has a working group in place to improve visibility issues across the supply chain, and has continued to focus on increasing the use of tracking capabilities such as RFID tags attached to cargo containers or pallets, satellite tracking devices on trucks, and contractor reports to improve its visibility over cargo movements. For example, to increase the use of satellite tracking devices on host-nation trucks in Afghanistan,

DOD has increasingly educated the truck drivers about the benefits of the tracking technology and the requirement to use the devices in certain contracts.[28] As a result of DOD's efforts, the use of satellite tracking devices on host-nation trucks increased from 10 percent in December 2009 to more than 90 percent in October 2010, according to DOD officials. Additionally, third-party logistics contractors are stationed in many locations along surface transportation routes throughout Pakistan and Afghanistan to collect information about DOD cargo in transit, and this practice helps fill in some of the data gaps in DOD's electronic visibility system. Contractors stationed at various points on the routes manually collect and provide real-time locality information on trucks transporting U.S. cargo that pass them. These reports include information about cargo damage, accidents, or attacks along the ground routes. The contractors communicate with truck drivers via mobile phones, and also make drivers call from land lines to verify their location information. Officials reported that this has helped DOD collect more accurate information about asset locations and incidents along the routes, and it is critical for maintaining visibility over cargo.

Challenges remain, however, with the collection of detailed and accurate cargo data used to maintain visibility over supplies and equipment in theater. Collection of visibility data is a challenge due to limited visibility infrastructure along surface routes. For example, there are only 16 fixed RFID readers installed along the existing truck routes in Pakistan, and, according to DOD officials, there are no requirements regarding what routes the drivers must take to the border crossings. As a result, a truck's route may not fall within range of an RFID interrogator until it arrives at one of the border crossings into Afghanistan. Therefore, visibility provided by RFID tags becomes more sporadic once cargo moves out of the port of Karachi and along the ground routes into Afghanistan. The ability to maintain visibility using RFID tags throughout theater is inconsistent, even if a cargo truck passes an RFID interrogator. Officials stated that RFID tags lose battery power while in transit, and the batteries are sometimes stolen out of the tags. For example, in October 2010, a DOD check of RFID tags at the Hairaton border crossing found that 80 percent of RFID

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[28]The Statement of Work for the Host Nation Trucking contract requires the use of an in-transit visibility management system. Private trucking contractors operating under the Afghan Host Nation Trucking Contract carry the majority of U.S. supplies and equipment within Afghanistan.

tags had batteries stolen out of them.[29] A unit in Afghanistan stated that the RFID tags on some of their containers did not have the batteries put in correctly in the United States, and therefore provided no visibility from the time of their original shipment to Afghanistan. Additionally, DOD officials stated that connectivity to the RFID server may be limited at some bases in Afghanistan. The lack of visibility over supplies and equipment in transit to, within, and out of Afghanistan causes inefficient management of the flow of incoming trucks to logistics hubs and forward operating bases and impedes the safe, secure, and effective distribution of warfighter materiel within theater. DOD officials are aware of in-transit visibility challenges with RFID technology, and are currently exploring various options such as equipping U.S. military and host nation trucks with satellite transponders to improve visibility.

According to DOD officials, detailed data about the contents of cargo shipments are critical for in-transit visibility, and can be used as evidence of cargo content when other documentation is missing. U.S. Army Forces Command policy indicates that RFID tags are to be written with sufficiently detailed data about the shipment's cargo to enable the identification and handling of shipments.[30] U.S. Central Command guidance corroborates this policy, stating that content-level detail is to be provided in accordance with the current DOD RFID tag data specifications.[31] Containers and pallets reconfigured during transit must have the RFID tag data updated by the organization making the change to accurately reflect the new contents, according to U.S. Central Command policy.[32]

Not all data entered onto RFID tags meet these policy requirements for both detail and accuracy, however. Officials told us that units sometimes

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[29]Hairaton is a border crossing between Uzbekistan and Afghanistan where cargo transported along the Northern Distribution Network may enter Afghanistan.

[30]Army Forces Command Operations Center G3 Order, Use of Active RFID Tags for CONUS and OCONUS Shipments (Mar. 22, 2011).

[31]U.S. Central Command guidance states that content-level detail comprises two components: asset-level detail (i.e., data elements that describe the asset) and content-level detail—data elements that minimally identify each level of a complete shipment entity (a single shipment unit or a consolidated shipment). U.S. Central Command Regulation 700-4, Logistics Automatic Identification Technology and In-Transit Visibility (Jan. 23, 2006).

[32]See id.

do not report sufficiently detailed data on the contents of containers on RFID tags. For example, an official at a supply yard in Afghanistan stated that individual cargo items are frequently not documented on RFID tags. Because not all cargo is tagged with detailed data required by U.S. Central Command policy, forward-deployed units have limited visibility and control over their materiel's critical inbound movements, as well as receipt and onward movements. This may result in backlogs of trucks trying to access the bases and delays in customer receipt of cargo. Similarly, sometimes reported cargo data are inaccurate. As noted above, U.S. Central Command guidance indicates that changes made to containers and pallets during transit must be recorded on RFID tag updates by the organization making the change, to accurately reflect the new contents. However, DOD officials in Afghanistan stated in November 2010 that approximately 40 percent of the RFID tags on cargo bound for one base in theater had incorrect or incomplete data "burned" onto them. Officials stated that one reason the data are not entered completely or accurately is lack of training: personnel are unaware of RFID requirements. Although Army Forces Command guidance notes that RFID tag training for unit movement officers is normally provided by installation and brigade movement personnel and RFID training programs are available, units may not be trained on how to properly use RFID tags to maintain visibility, according to DOD officials.

Without adequate visibility tools and data, the arrival of trucks delivering cargo to bases cannot be effectively monitored or metered by DOD personnel or contractors. It is difficult to track equipment in transit within Afghanistan because there is little visibility in theater or information provided about the arrival or delay of supplies or equipment, and the arrival of trucks delivering cargo to bases cannot be effectively monitored by DOD personnel or contractors, resulting in long wait times at base entry control points. Because of space constraints, only a certain number of trucks can be allowed on a base at a time. If the available space is filled with incoming trucks, trucks awaiting entry onto the base must wait outside the base until space is available for them to enter. This may leave cargo more vulnerable to pilferage as trucks sit outside base gates for extended periods. Further, units may not know that their cargo has arrived, or that items in their shipments are missing. For example, an official stated a contractor truck took two weeks to bring supplies for his task force to Bagram from Kabul, in part because the truck kept getting turned away at the gate to the base. The task force was not aware of this issue due to lack of visibility over the cargo's transit. Officials in Kandahar stated that a convoy of contractor trucks languished for weeks in the staging lot because no one talked to the customer receiving the cargo,

and the customer was unaware the trucks were at the entry control point. Additionally, units sometimes requisition the same items repeatedly because they do not have visibility over cargo. For example, DOD officials in Afghanistan stated that a Stryker Brigade Combat Team was reportedly reordering approximately 5 percent of its requisitions for repair parts because visibility was lost during the distribution process. Additionally, DOD officials in Afghanistan stated that even when a unit is aware that cargo has arrived on the base, customers may not be available to receive cargo, and materiel handling equipment may not available to transport it to its final destination.

DOD Has Not Fully Integrated Transportation Information Systems

DOD and its components have many transportation information systems and processes to track the movement of supplies and equipment to Afghanistan, but these systems are not fully integrated into a user-friendly common operating picture. Joint doctrine indicates that optimum integration of information systems and their data is critical to the effectiveness and efficiency of global distribution operations to enable improved situation awareness and management processes.[33] Under DOD guidance, TRANSCOM is responsible for integrating deployment-related automated data processing systems. Further, a March 2011 memo from the Secretary of Defense on DOD efficiency initiatives directs TRANSCOM to submit implementation plans to the Chairman of the Joint Chiefs of Staff for approving the designation of TRANSCOM as DOD's lead proponent for in-transit visibility to synchronize initiatives and eliminate duplication and nonstandard practices among separate DOD components. However, DOD officials at both the headquarters and tactical levels stated that while cargo transportation data are being captured and can be obtained by DOD's numerous systems and processes, these data systems are not integrated into a user-friendly common operating picture that can be accessed by personnel at each of the strategic, operational, and tactical levels of distribution. As a result, personnel may not know which of the numerous information systems could provide them with the information they are looking for, and so do not always have access to the in-transit visibility data they need.

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[33]Joint Pub. 4-09 at II-3.

For example, the Joint Operation Planning and Execution System is used by the Joint Staff and other components to monitor, plan, and execute the deployment and redeployment of units and their equipment in association with joint operations. The Global Air Traffic Execution System is used by the Air Force for automated airlift cargo and passenger processing, and to provide in-transit visibility data. The In-Transit Visibility for Surface Deployment and Distribution Cargo system is used by TRANSCOM and SDDC to track the status of surface shipments transiting through Pakistan or along the Northern Distribution Network. The Integrated Booking System—Container Management Module provides information on the location of government- and carrier-owned containers, and the Radio Frequency In-transit Visibility system provides users with the latest information on the location of cargo with a RFID tag. Due to the difficulties in receiving in-transit visibility information from RFID tags on cargo transiting Pakistan, SDDC receives daily reports from its commercial carriers and contractor personnel on the ground in Pakistan and summarizes them in a spreadsheet format. For cargo transported between locations in Afghanistan, U.S. Forces-Afghanistan and its subordinate units have separate systems and processes for tracking the location of transiting cargo. Additionally, deployed Army units can use the Battle Command Sustainment Support Structure to view the supply stockage levels in warehouses and track the movement of supplies as they travel through the distribution systems via air, land, and sea. According to DOD, in September 2010 DOD directed the Battle Command Sustainment Support Structure–Node Management to become the joint theater distribution common operating picture. Finally, commercial carriers used by DOD to transport cargo have their own information systems that often link into established DOD systems.

Although these systems and processes provide DOD with a vast amount of data on where supplies and equipment are in the distribution pipeline, they are not fully integrated into a user-friendly common operating picture that can be accessed by all personnel at the strategic, operational, and tactical levels. For example, U.S. Forces-Afghanistan and its subordinate units use many separate systems and processes to track cargo delivery between locations in Afghanistan, but these systems are not integrated into a common operating picture accessible to personnel at all levels of the distribution system. According to several units deployed to Afghanistan, their logistics personnel often had difficulties obtaining in-transit visibility data to determine the location of their unit equipment or requisitioned sustainment items. Officials stated that the systems to which they had access or of which they were aware did not always provide the information they were looking for. Officials also stated that while other

systems may have been able to provide the necessary data, they either did not know about them or were not trained to use them.

DOD has made efforts to integrate transportation systems, but these efforts do not provide a common operating picture across all distribution levels and services. TRANSCOM has attempted in the past to integrate all of the major strategic distribution-related systems, and efforts are underway to transition to a new integrated system. TRANSCOM's Global Transportation Network was designed to interface with the many DOD distribution systems and provide its customers with a single system to access in-transit visibility data for strategic movement. According to officials, however, the Global Transportation Network has inherent design flaws that have kept it from interpreting and presenting in-transit visibility data in a common format. To remedy this problem, TRANSCOM and the Defense Logistics Agency have been developing the Integrated Data Environment/Global Transportation Network Convergence, which will replace the Global Transportation Network. Officials stated that this new system will provide users with improved access to distribution data, and that the system reached its initial operating capability in 2008 and is currently progressing towards full operating capability. However, it will focus mainly on strategic distribution systems, without integrating all of the operational and tactical systems necessary to provide personnel with a true common operating picture. In addition, the Army has developed the Army Theater Common Operating Picture, which officials stated is a central system fed by multiple other systems to maintain visibility over equipment requirements, equipment sourcing options, and the status of equipment delivery to the units. However, this system is used primarily by the Army and does not incorporate information from transportation systems managed by other components and services.

Without transportation systems that are fully integrated and able to provide timely access to in-transit visibility data for cargo at all points of the supply chain, DOD personnel cannot have comprehensive visibility over the supplies and equipment transported to and within Afghanistan. Units in Afghanistan told us that they often do not know whether their requisitioned cargo is en route, where the cargo is located if so, or when the cargo would arrive. Units have often taken valuable time to contact various personnel who could help identify where their cargo was, and in some cases the uncertainty has led units to re-requisition supplies and equipment, even though their original requisition may have been in-transit. Without an accessible, user-friendly common operating picture that integrates the various transportation systems, DOD runs the risk of expending valuable time and resources because of uncertain asset

location. In addition, having such a large number of systems that are not integrated creates the risk of having duplicative efforts in collecting, maintaining, and presenting in-transit visibility data.

DOD Continues to Face Delays Due to Customs Clearance Processes

DOD continues to face delays due to the customs clearance processes in Pakistan and Afghanistan. To expedite the customs clearance processes and reduce overall shipping time and delays, DOD has agreements, procedures, and personnel in Pakistan and Afghanistan to coordinate the customs process. However, due to lengthy and complex customs processes, missing clearance documentation and inconsistent customs practices, and lack of training for DOD shipping personnel on how to complete customs paperwork, DOD cargo shipments continue to be delayed.

To expedite the customs clearance processes and reduce overall shipping time and delays, a Status of Forces Agreement between Afghanistan and the United States indicates that the United States may import into and export out of Afghanistan any personal property, equipment, supplies, and materials required to implement the agreement, exempt from customs duties, taxes, or other charges assessed within Afghanistan.[34] According to an SDDC informational handbook, proper documentation must be submitted on each shipment for review by the Afghan Customs and Revenue Department (a subordinate agency to the Afghan Ministry of Finance) in order to obtain customs clearance and an approved exemption certificate that certifies the shipment is exempt from customs duties and taxes. SDDC is the DOD entity primarily responsible for managing the customs clearance processes for DOD cargo transported through Pakistan and Afghanistan. DOD also has established a customs cell in the U.S. embassy in Kabul, Afghanistan, to facilitate the import of all U.S. military fuel and the import and export of all U.S. military cargo. The customs cell regularly meets with carrier representatives and shipping expediters to exchange customs clearance documentation.

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[34]See Agreement Regarding the Status of United States Military and Civilian Personnel of the U.S. Department of Defense Present in Afghanistan in Connection with Cooperative Efforts in Response to Terrorism, Humanitarian and Civic Assistance, Military Training and Exercises, and Other Activities, U.S.–Afg., Sept. 26, 2002, Dec. 12, 2002, and May 28, 2003, Temp. State Dep't No. 03-67.

In addition to its customs agreements and personnel, DOD has established customs and export processes. Since there is no DOD presence on the Pakistan Ground Line of Communication, cargo expediters at the U.S. Consulate in Karachi expedite customs clearance documentation from Pakistan Customs, the National Logistics Cell,[35] and other entities. When U.S. military cargo shipments arrive at the cargo ports in Karachi, Pakistan, cargo is unloaded and staged in cargo-holding yards awaiting customs clearance. According to DOD officials, contract carriers submit paperwork guaranteeing the safe passage of cargo through Pakistan into Afghanistan, which is critical for enabling customs expediters in the U.S. consulate to quickly process cargo in conjunction with the Government of Pakistan. Once the cargo is booked, the shippers issue a packing list, which Pakistani expediters confirm with DOD. Additionally, according to DOD officials, SDDC is required to issue custom clearance request letters; however, DOD officials stated this important step in the customs clearance process is often missed and the reasons are unknown. Once all shipping documentation is collected, shippers and expediters enter customs data into the Pakistan Automated Customs Computerized System, which is used exclusively for U.S. government cargo.

DOD recently introduced a new export process to reduce overall shipping times and delays for retrograde or redeployment cargo coming out of Afghanistan. Previously, according to SDDC, the U.S. government had to obtain a certificate of exemption before the cargo could be moved from its base in Afghanistan to the Pakistan border. The certificate had to be processed through the Afghan Ministry of Foreign Affairs and Customs offices, a process that averaged 43 days. Under the new export process, as described in guidance regarding import and export of SDDC cargo, just before the cargo is transported, a border-crossing memo issued by SDDC is sent to the customs office and to officials at the border-crossing point to authorize the border crossing. Once the cargo has left its base in Afghanistan, the contract carrier applies for a tax and duty exemption certificate. The carrier has 21 days from the date of the border-crossing

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[35]The National Logistics Cell is a company in Pakistan engaged in transportation infrastructure development, provision of freight services, and management of border terminals and strategic inland dry ports. It exclusively operates the Karachi ports. The company also handles international freight transiting Pakistani ports and offers warehousing facilities to the United Nations World Food Program, UNICEF, and other organizations.

memo to apply for exemption and must submit an exemption form and supporting documentation. According to DOD officials, the new export procedures are expected to reduce the number of processing days for exemption certificates; to allow cargo to depart Afghanistan according to U.S. military priority; and to expedite cargo shipments from Afghanistan to the ports in Pakistan.

Although DOD has taken steps to expedite customs processes, challenges remain with clearing customs in Pakistan and Afghanistan due to lengthy and complex customs processes. In Afghanistan, customs officials must complete lengthy customs paperwork manually due to the complexity of the processes and the limited electronic infrastructure. According to guidance issued by the SDDC liaison officer at the U.S. embassy in Kabul on customs clearance request operations, every DOD contractor or carrier that imports or exports goods to or from Afghanistan must submit several documents to the embassy liaison office, among which are a completed Tax Exemption Form, or Muaffi Nama, which is purchased from the customs department and stamped by the liaison officer; a transportation Bill of Lading for cargo transiting via ship, or an Airway Bill for cargo arriving via air, or a similar document for cargo that has only traveled over land; the original invoice; a packing list if cargo is not listed on the invoice; an original customs clearance request; and a certificate of origin for certain cargo. The liaison officer publishes a Diplomatic Note to show the Afghan Customs office that the liaison officer certifies the goods are for the exclusive use of the U.S. government. After stamping and signing the Diplomatic Note, all the documents are returned to the carrier to be taken to the Afghan Ministry of Foreign Affairs and then to the Afghan Ministry of Finance customs department for stamps and signatures from officials in those offices. The customs paperwork requires many signatures from specific individuals and transfers among various locations in the Foreign Affairs and Finance customs offices. Once these documents are stamped and signed, the shipment can cross the border and goes to a customs clearing house. From there, if the documents are at the clearing house and are correct, the shipment can be released for final delivery. According to the guidance, it is the responsibility of the importing party to ensure that the required documentation is provided to the liaison office. A DOD official in Afghanistan stated that clearing customs paperwork for cargo export takes approximately 38 days, but may take as long as 55 days.

The customs clearance process for Afghanistan is also affected by missing clearance documentation and inconsistent customs practices. According to the customs clearance request guidance, it is the

responsibility of the contract carrier to ensure that the required documentation is provided to the liaison office. Department of State commercial shipping instructions annexed to the guidance note that commercial shippers are responsible for ensuring that drivers carrying U.S. government cargo are in possession of all paperwork required to clear customs. However, commercial carriers do not always provide complete, accurate customs paperwork, according to a DOD official. Incomplete data fields or inaccurate paperwork submissions delay the customs process because paperwork must be resubmitted, which restarts the processing timeline. For example, according to SDDC, contract carriers are required to have cargo and shipping documents with matching information, such as cargo container number, in order to clear customs, but carriers do not always fulfill this requirement, which causes delays with cargo crossing the border. Because border crossing officials do not have all properly completed paperwork available to match with cargo, the driver and his cargo are forbidden from crossing the border and delivering the cargo, creating time delays for resolving the customs issue and delivering the cargo to its final destination. In addition to missing paperwork, inconsistent customs practices also present challenges to the process. According to DOD officials, customs and border officials operate on their own time frames to process paperwork and clear cargo, and DOD's influence and control over customs clearance processing in Pakistan and Afghanistan is limited. An SDDC handbook for units deploying to or returning from Afghanistan advises units that "there is nothing [they] can say [and] nobody [they] can talk to in order to 'push' paperwork through the Afghanistan Ministries." Additionally, border crossing officials do not always accept cargo through customs without intervention, even with the proper paperwork. For example, a contract carrier transporting export cargo for a task force in Afghanistan was denied permission to cross the border by the Pakistan Frontier Corps, necessitating DOD officials' intervention to address the issue so that the cargo could be allowed to pass.

Another factor affecting customs clearance is that not all DOD shipping personnel are adequately trained on the customs processes, according to DOD officials. If customs paperwork is not completed properly by units responsible for shipping the cargo, cargo throughput is impeded. For example, DOD officials in Afghanistan stated that in November 2010, large amounts of retrograde cargo were sitting at Kandahar waiting to be shipped out of Afghanistan, delayed in part by the lack of proper documentation. Other DOD officials in Afghanistan added that units lack basic understanding in completing customs paperwork. Such backlogs

and lack of training on how to clear customs properly may be problematic for future drawdown from Afghanistan.

DOD's Current Process for Collecting and Reporting Information on Pilferage and Damage of Supplies and Equipment Does Not Capture All Incidents

DOD's current process for collecting and reporting information on pilferage and damage of supplies and equipment while in transit remains a challenge. According to DOD officials, approximately 0.8 percent of all cargo items have been pilfered since 2007 while in transit. This rate is calculated using the reported number of transportation discrepancy reports created and submitted by units to document loss or damage to government-owned cargo while it is in transit. Although DOD has taken measures to reduce the incidence of pilferage and has policies in place for pilferage data collection and reporting, DOD's process for collecting information on pilferage and damage of cargo is not capturing all incidents.

DOD has taken steps to reduce the incidence of cargo pilferage along supply routes. To reduce the incidence of pilferage, DOD established a Pilferage Deterrence Cell in Kuwait to serve as the single point of contact for pilferage information, carrier and contract compliance, and transportation discrepancy reports. Accordingly, the Pilferage Deterrence Cell, in concert with all stakeholders, maintains pilferage tracking data, establishes unit and carrier compliance procedures, identifies pilferage instances and locations, and assists with the submission of reports of cargo pilferage or damage. Through this cell, DOD seeks to improve unit compliance with the transportation discrepancy action process and the sharing of actionable pilferage data. U.S. Central Command has also established Task Force Guardian to mitigate pilferage of containers transported through Pakistan. According to DOD officials, this task force reports directly to U.S. Central Command and includes policy and guidance to units on exactly what can and cannot be shipped through Pakistan.

Transportation Discrepancy Reports Are Used to Capture Information on Pilferage

DOD policies prescribe detailed processes for collecting information about pilferage and damage of cargo using transportation discrepancy reports. Transportation discrepancy reports are DOD's system of record to capture the extent of pilferage and recoup funds from commercial carriers for the cost of pilfered items, where possible. Transportation discrepancy reports are used to report, investigate, and process discrepancies in shipments involving loss or damage. They are also used to support claims against contract carriers so that DOD can endeavor to recoup costs of cargo lost or damaged in transit. Both DOD-wide and service-specific policies are in place that require the use of transportation

discrepancy reports to report cargo discrepancies. For example, DOD's Defense Transportation Regulation describes procedures and responsibilities for reporting transportation discrepancies with cargo movement.[36] SDDC also provides a handbook that explains procedures for completing transportation discrepancy reports and assists units in completing the process. Army guidance for property accountability also specifies actions to be taken by transportation and property officers and other officials when supply and transportation discrepancies occur in shipments of Army property.[37] According to the SDDC handbook on the transportation discrepancy report process, units are required to report damage or loss of cargo in transit in the distribution system via the submission of transportation discrepancy reports.[38] Transportation discrepancy reports are created and submitted by units to document loss or damage to government-owned cargo while it is in transit to its final destination in the distribution process. Commands rely on subordinate units to report pilferage by means of transportation discrepancy reports.

Despite DOD policies and efforts in place to collect and report pilferage, however, challenges exist with units completing transportation discrepancy reports in a timely manner, providing DOD with comprehensive pilferage information, and reporting and tracking of all pilferage and damage data. The transportation discrepancy report process, as described in the SDDC handbook, has 11 steps and involves coordination among various DOD entities, including customer units; SDDC; contract carriers; investigative service entities, such as the Army Criminal Investigative Division and Naval Criminal Investigation Service; the 831st Transportation Battalion; and Ocean Cargo Clearing Authority-Southwest Asia. Officials from several units said the transportation discrepancy report process is very time-consuming to complete, due in part to its complexity. As a result, units do not always complete transportation discrepancy reports, and pilferage is underreported. Officials from one unit stated they believe that approximately 10 percent

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[36]Defense Transportation Regulation 4500.9-R-Part II, Cargo Movement, chapter 210 (June 2008).

[37]Army Regulation 735-5, Policies and Procedures for Property Accountability (Feb. 28, 2005).

[38]Surface Deployment and Distribution Command, Transportation Discrepancy Report (TDR) Handbook, ver. 1 (August 2010).

of containers processed through Kandahar have been pilfered, but the reported pilferage rate is much lower.

Proper Completion of Transportation Discrepancy Reports Is a Challenge

According to DOD guidance, units must collect documentation to support evidence of pilferage and damage in order to complete the transportation discrepancy report. According to the SDDC handbook, information required to complete a transportation discrepancy report includes the photographs of damaged cargo if the transportation discrepancy report concerns damage; packing lists that denote which items are missing or damaged; statements from personnel present when the discrepancy was discovered; and any investigative reports on the incident.[39] However, DOD personnel reported that they are not always able to obtain all documentation because it is missing or no longer available. For example, one unit said that was not always possible to provide proper documentation for transportation discrepancy reports because the cargo container packing lists that detail the contents within the container were not always available. Another stated that incomplete or inaccurate shipping documentation made it difficult to provide investigators with necessary information about the cargo. Another unit official told us that transportation personnel in his unit did not photograph damaged cargo containers that had been broken into, so no photographic evidence of pilferage was obtained.

We also found that there is limited incentive for units to complete transportation discrepancy reports. First, the priority of a unit's mission may exceed the priority of completing a transportation discrepancy report, and personnel do not have time to complete the process. For example, officials from one unit in Afghanistan indicated that cargo was pilfered during a unit move en route to its deployed location in Afghanistan; however, only 5 percent of that pilferage was reported because taking the time to complete transportation discrepancy reports was not as high a priority for the unit as conducting its mission on the ground. Second, a unit may be able to conduct its mission even if it is missing some supplies or equipment. For example, one task force official in Afghanistan stated that approximately 7 percent of the brigade's containers that were

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[39]The relevant chapter of the Defense Transportation Regulation lists the bill of lading, delivery receipt, and shipping document as minimum documentation needed to support a transportation discrepancy report, while other items—such as photographs—are listed as additional documentation, as needed. See Defense Transportation Regulation 4500.9-R-Part II, Cargo Movement, chapter 210, table 210-4 (June 2008).

transported through Pakistan arrived empty or nearly empty of cargo. However, the official said that because the unit's missions kept changing once it arrived in theater, there was no affect on the task force's missions from the loss of supplies and equipment, so transportation discrepancy reports were not filled out for all missing cargo items. Officials added that they may not recoup missing equipment as a result of submitting transportation discrepancy reports, and that replacements of missing equipment are not necessarily received in time for the unit's deployment.

Although SDDC has recently provided some training, not all unit transportation officials may have had training in preparing transportation discrepancy reports, making it more difficult to complete the process accurately and quickly. SDDC has developed a theater-specific handbook that explains the purpose and process of completing transportation discrepancy reports, but that resource is not provided to units until after pilferage or damage has been identified and the unit has notified SDDC of the incident. Furthermore, personnel may not receive training on how to initiate or complete a transportation discrepancy report prior to deployment. Some officials stated that, because they had not received guidance on preparing transportation discrepancy reports, they were unsure of whom to contact to initiate transportation discrepancy reports once they discovered pilferage had occurred. One official stated that a pre-deployment briefing would have been helpful because units would have known about the transportation discrepancy reports process and how to complete it, as well as what documentation and points of contact they would need to have to complete a transportation discrepancy report.

In addition to units not filling out transportation discrepancy reports, another challenge to the collection and reporting of pilferage is the incomplete reporting and tracking of all pilferage and damage data. As previously mentioned, pilferage rates are calculated using the completed number of transportation discrepancy reports. There are other types of reports, such as host-nation trucking complaints, that contain information regarding damage and pilferage but are not included in DOD's pilferage/damage calculation. For example, complaint forms are used to collect detailed information about property damaged or pilfered, whether the truck was missing any necessary equipment, and what the affect was on the receiving unit's mission.

As a result of inaccurate or incomplete reporting and tracking of all pilferage and damage of supplies and equipment in transit in support of Afghanistan operations, DOD does not have full awareness about the extent to which pilferage and damage of supplies and inventory impede

operations in Afghanistan. Because transportation discrepancy reports are not completed for all instances of cargo loss and not all types of pilferage or damage reports are included in the calculation, accurate measurements of loss (both cargo amount and cost) are underreported. Additionally, if units do not submit transportation discrepancy reports, the department's ability to receive financial reimbursements from contract carriers for lost items may be limited. Unit officials stated that greater emphasis from commanders is needed on the transportation discrepancy report process for improvements to be made, which would result in more accurate reporting and better awareness of the challenges presented by pilferage in Afghanistan.

Challenges Remain with Tracking and Managing the Flow of Cargo Containers

Container management has been a long-standing challenge for DOD during its contingency operations in Iraq and Afghanistan. Between 2003 and 2010, over $700 million was spent on container management for both Operation Enduring Freedom and Operation Iraqi Freedom, including detention costs and container buyouts.[40] A December 2010 Army Audit Agency audit of the effectiveness of container management in support of the drawdown of Iraq operations found that although the command established policies and procedures to identify, inspect, and repair containers in Iraq, responsible personnel did not always comply with inspection policies or update container information in the U.S. Central Command container-management system of record. Furthermore, sufficient methods were not in place to track or validate container condition status.

DOD is currently undertaking efforts to improve container management. DOD has a global container-management policy in place that provides guidance on the efficient and effective use of containers during contingency operations in order to improve the management and use of cargo containers in theater.[41] The policy assigns roles and responsibilities of container management to various DOD entities. For example, TRANSOM must oversee the overall efficiency, effectiveness, and

[40]Detention costs may accumulate if the container is commercially owned and not returned to the carrier within a specified time period. Container buyouts occur when DOD purchases commercial containers to reduce detention costs.

[41]Deputy Secretary of Defense Memorandum, Global Container Management Policy (Dec. 18, 2009).

interoperability of the global container-management program; develop processes and procedures and oversee containers owned by or leased from contract carriers during contingency operations; and verify and fund detention costs and other claims in conjunction with other DOD entities, forwarding claims and invoices to the appropriate military department for reimbursement. The supported combatant commands are responsible for providing effective, efficient receipt, movement, and return of containers entering theater and for establishing plans for returning containers to the appropriate manager (military or contract carrier) as quickly as possible to mitigate detention costs. Additionally, DOD's Defense Transportation Regulation details responsibilities, procedures, and guidelines for managing and controlling DOD's intermodal equipment system, which includes DOD-owned and DOD-leased containers, contractor-owned containers, and container services.[42] According to the regulation, commanders of bases and commands overseas will provide container information in DOD systems according to established procedures. However, DOD personnel stated that TRANSCOM has no authority over the containers in theater, as container management in theater is the responsibility of U.S. Central Command. Accordingly, U.S. Central Command released a letter of instruction in March 2010 outlining theater-specific container-management policies and procedures that emphasize keeping detention costs within established standards; maintaining accountability of all containers in theater; and using an inventory-management program to ensure integrity of container data.[43] According to DOD officials, U.S. Central Command is currently updating the letter of instruction to emphasize further accountability of containers and documentation by users in theater.

In addition to policies and guidelines to help DOD manage cargo containers, in December 2010 DOD also held a container-management summit that focused on detention costs, movement of containers into and out of forward operating bases in theater, proper maintenance of government-owned containers to maintain military standards, and container buyouts. Various entities participating such as U.S. Central Command, TRANSCOM, SDDC, Joint Sustainment Command-Afghanistan, and U.S. Forces-Afghanistan hold weekly meetings to track

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[42]Defense Transportation Regulation 4500.9-R-Part VI, chapter 601 (Apr. 18, 2011).

[43]See United States Central Command Letter of Instruction, Container Management Policy (Mar. 22, 2010).

issues with container management and discuss container inventory in Afghanistan.

Personnel are also deployed in Afghanistan to assist units with managing their cargo containers. Container-management teams are deployed to bases in Afghanistan such as Bagram Airfield to train personnel on how to use container-management systems, identify methods to reduce container detention costs, and to identify empty containers, which can be used to ship cargo out of Afghanistan. SDDC's 831st Deployment and Distribution Support Battalion also has deployment and distribution support teams located at various forward operating bases in Afghanistan to help unit cargo managers implement best container-management practices. Additionally, DOD is currently establishing civilian teams to conduct reviews of container condition, tagging, and disposition in theater. The goal is to start at hubs in Afghanistan and then move to the forward operating bases to account for all containers and promote continuity of container management in all locations. To help improve tracking and management in accordance with the U.S. Central Command letter of instruction, efforts are currently underway to inventory container numbers and locations in theater in order to return containers to proper owners.

Inconsistent reporting and tracking of containers in container-management systems remains a challenge. DOD currently uses two separate systems, the Army Container Asset Management System and the Integrated Booking System / Container Management Module, to track cargo containers. The first system is a web-based software application used by the Army and other services to track container location and status, and is the primary container-management system for tracking the Army's containers. From the Army Container Asset Management System, personnel can conduct studies on Army container status, location, and disposition from data entered into the system manually by its users. The U.S. Central Command theater uses the Integrated Booking System / Container Management Module as its container-management system. It provides a snapshot of both government-owned and carrier–owned containers in theater as users download reports. The system also estimates detention costs for containers that are not returned to their owners prior to the end of the lease period. According to the Defense Transportation Regulation regarding container management, DOD components must ensure commonality and interoperability of intermodal

equipment and infrastructure—to include information systems—between the components and commercial industry.[44] DOD guidance assigns TRANSCOM responsibility for ensuring that all DOD intermodal container systems are interoperable across DOD and with commercial industry, including associated information systems. The guidance also assigns TRANSCOM responsibility for developing, publishing, and implementing transportation procedures for intermodal, common-use container systems, including the tracking systems, for other than service-unique or theater-assigned assets.[45] Both military units and contract carriers in theater enter their container data into the system. DOD has been working on integrating the two systems to provide overall visibility of container status, location, and availability. A link between the two different systems was created in summer 2008 in order to integrate the data in the separate systems into each other and to denote data inaccuracies in the systems. However, the link does not work, leading to challenges with container-management information dissemination among all stakeholders, such as data gaps in container information. To date, personnel from the various DOD data systems entities are continuing to work together to correct issues with the link and to improve container-management capabilities across all services.

In addition to the lack of integration of container tracking systems, cargo container information provided by personnel in theater is also limited. Although U.S. Central Command policy outlines procedures for inputting key container data,[46] information about containers, such as location, condition, and owner (e.g., government or contract carrier), is not communicated to commands from supported entities and personnel in theater. Also, personnel in Afghanistan do not always provide container managers in the United States information to help manage container flow into and around various bases in theater, such as information about container status and location. As a result, DOD's ability to track and manage cargo is further limited.

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[44]Defense Transportation Regulation 4500.9-R-Part VI, chapter 601: Intermodal Container and System 463L Asset Management and Control (Apr. 18, 2011).

[45]See Department of Defense Instruction 4500.57, Transportation and Traffic Management (Mar. 18, 2008).

[46]See United States Central Command Letter of Instruction, Container Management Policy (Mar. 22, 2010).

Logistics personnel do not always have adequate training on how to manage containers in theater and provide all necessary information to container-management stakeholders. According to DOD officials, a container manager must be assigned to each unit, and container-management training for designated personnel is available from SDDC. However, an official stated that container managers are not necessarily designated before they deploy into theater. As a result, container managers are assigned after deployment into Afghanistan and may not have taken appropriate training prior to deploying, which may limit their awareness of container management policies, procedures, and tracking requirements. Additionally, DOD officials stated that container-management teams in theater do not have adequate resources, such as personnel, to meet their goals. The lack of complete container tracking information in DOD container-management systems results in gaps in tracking data. Consequently, without effective management of cargo containers, DOD has limited visibility over containers in Afghanistan and could continue to accrue unnecessary container detention and related costs.

Conclusions

Despite the challenges of shipping military supplies and equipment into a mountainous, land-locked country with poorly developed infrastructure, DOD has improved its ability to distribute cargo and support the warfighter in Afghanistan. Specifically, increases in storage capacity on bases, expansion of airfield infrastructure, and improvements in visibility have all contributed to enhancing DOD's ability to deliver much-needed supplies and equipment to deployed units in Afghanistan. However, the fragmented nature of DOD's chain of command for distribution to Afghanistan ultimately limits visibility, control, and accountability for items needed by the warfighter. Furthermore, DOD's lack of full oversight of performance metrics for delivery to the warfighter in Afghanistan limits its ability to identify where delays in the distribution system exist and to take corrective actions to improve DOD's logistics response time. Finally, challenges related to the visibility of cargo, data systems, customs processes, cargo pilferage and damage, and container management have hindered the distribution of supplies and equipment to the warfighter and will continue to do so until they are fully addressed. Collectively, these issues will likely continue to affect operations in Afghanistan and limit DOD's visibility and oversight of the supply chain. Until these challenges are addressed, DOD's ability to identify gaps and make improvements in the timely distribution of much-needed supplies and

equipment to support current deployments, redeployments, and sustainment of deployed units may be limited.

Recommendations for Executive Action

To enable TRANSCOM to carry out its Distribution Process Owner responsibility to oversee the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities, and to include delivery from major logistics bases to outposts in Afghanistan, we recommend that the Secretary of Defense direct

- the Under Secretary of Defense for Acquisition, Technology and Logistics, to revise the instructions for the Distribution Process Owner, and the Joint Staff to revise Joint Publication 4-09, to provide clear guidance on how TRANSCOM is to oversee the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities, to include the fourth leg of distribution;
- U.S. Central Command to direct U.S. Forces-Afghanistan to provide regular reports to TRANSCOM on delivery performance for shipments within Afghanistan; and
- the Commander of TRANSCOM to incorporate the delivery performance reports from U.S. Forces-Afghanistan into the command's review of distribution metrics, in order for TRANSCOM to measure the performance of DOD's entire distribution system.

To ensure that DOD can accurately assess its delivery performance for and maintain accountability of cargo shipments to Afghanistan, we recommend that the Secretary of Defense direct the Commander of TRANSCOM to develop an ongoing, systematic approach to (1) identify the reasons why delivery dates for delivered shipments are not documented and implement corrective actions to improve the documentation of delivered shipments and (2) investigate cases of undelivered shipments to determine their status and update the database with the most current information.

To enable DOD to gain better visibility over cargo in transit using RFID technology, we recommend that the Secretary of Defense direct U.S. Central Command to (1) develop necessary policies and procedures to ensure that content-level detail is entered onto RFID tags; (2) implement required data-entry training for all deploying units; and (3) ensure that periodic inspections of data entries are performed.

To enable DOD to gain more comprehensive visibility over the status of supply and equipment, we recommend that the Secretary of Defense

direct TRANSCOM, in consultation with the combatant commands, the military services, and other DOD distribution stakeholders, to (1) evaluate the feasibility and costs of alternative approaches for developing a single user-friendly common operating picture that integrates transportation systems from the strategic, operational, and tactical levels and that is accessible by personnel at each of these levels to provide timely in-transit visibility data and (2) select and implement a cost-effective approach for improving visibility.

To enable DOD to expedite its processes for delivery of cargo to its final destination, we recommend that the Secretary of Defense direct SDDC to develop and implement training for units on customs processes for export cargo to instill best practices for documenting cargo according to customs policies, which may mitigate customs clearance delays that cause cargo backlog.

To enable DOD to gain better visibility over the incidence and cost of pilferage and damage of cargo in transit to, within, and out of Afghanistan, we recommend that the Secretary of Defense direct

- U.S. Central Command to require units to complete mandatory training on how to report, document, and complete a transportation discrepancy report; and
- TRANSCOM to include host-nation truck complaints in the reported pilferage and damage calculation.

To enable DOD to better manage its processes for managing and using cargo containers, we recommend that the Secretary of Defense direct the Under Secretary of Defense for Acquisition, Technology and Logistics, to

- select a single container-management system for all DOD entities and contract carriers to track container status; and
- create, implement, and enforce reporting requirements and procedures for tracking containers in theater.

Agency Comments and Our Evaluation

In written comments on a draft of this report, DOD concurred with five of our recommendations and partially concurred with six recommendations. Although DOD acknowledged that several challenges remain, DOD did not concur with three of our recommendations due to DOD's view, based on current guidance, that TRANSCOM as Distribution Process Owner does not and should not have any oversight over the last leg of distribution – between the logistics hubs in Afghanistan and the warfighter. DOD also did not concur with one recommendation because

the Department believes that adequate policy and procedures already exist regarding content-level RFID requirements. DOD also noted that our review occurred during the recent 30,000 troop surge and stated that although it failed to meet time definite delivery standards during this period, its ability to increase stocks on hand in Afghanistan was a reflection of a robust supply network not hampered by delivery timelines. However, the scope of our analysis of DOD's distribution performance, as we reported, included a period of two years prior to initiating the latest surge of 30,000 troops and several months after it was completed. Moreover, we believe the mere fact that DOD was able to increase inventories in theater does not necessarily mean that the supplies were actually delivered to the warfighter within needed time frames.

Moreover, as discussed below, we believe DOD's view that TRANSCOM as Distribution Process Owner should not have any oversight over the last leg of distribution indicates confusion within and outside of DOD regarding TRANSCOM's role, including as Distribution Process Owner. In several instances, this view conflicts with language within DOD's Joint Publication 4-09 and DOD Directive 5158.04; TRANSCOM's responsibility under the President's 2011 Unified Command Plan for synchronizing planning for global distribution operations in coordination with the combatant commands and services; and statements made to us and publicly by TRANSCOM regarding the purpose, role, and span of influence of the Distribution Process Owner. In addition, DOD's approach of limiting the Distribution Process Owner's oversight to only the first three distribution legs leaves a fragmented process without any comprehensive oversight or visibility over the entire DOD-wide global distribution pipeline. More generally, we are concerned that DOD's comments indicate that the Department does not fully recognize the significant challenges that confront its global distribution system in supporting operations in Afghanistan and that only limited progress will be made to address the problems we identified in this report, many of which are systemic issues that have been reported over the past several years by GAO and other organizations. For example, a recent report by the Defense Business Board highlighted some of these logistics challenges DOD currently faces, including the lack of end-to-end asset visibility, the lack of interoperability among information systems, numerous "hand-offs"

between organizations, and weak governance across the logistics enterprise.[47] DOD's written comments are reprinted in appendix II.

DOD did not concur with our recommendation to clarify current doctrine on TRANSCOM's oversight role as Distribution Process Owner to include the fourth leg of distribution. In its comments, DOD stated that the Distribution Process Owner's authority and oversight responsibility extends to the point of need, not to the point of employment and that this distinction is clearly made in the Joint Logistics (Distribution) Joint Integrating Concept (JL(D) JIC) and promulgated throughout doctrine and policy by way of reference to this concept. However, we maintain that language in the Joint Publication 4-09, DOD Directive 5158.04, the President's 2011 Unified Command Plan, the Joint Logistics (Distribution) Joint Integrating Concept, and the other doctrine and policy documents suggests a role for TRANSCOM, as Distribution Process Owner or more broadly under its mission as a combatant command, to oversee activities within the global distribution pipeline across all four legs of distribution. For example:

- Joint Publication 4-09 states that "[g]lobal distribution is the process that coordinates and synchronizes fulfillment of joint force requirements from point of origin to point of employment [see figure 1 below]. The ultimate objective of this process is the effective and efficient support of the joint force mission. Global distribution doctrine provides both a theoretical and practical approach to delivering joint operations support. Fundamentally, this approach recognizes that effective and efficient fulfillment of joint operational requirements is dependent on the deliberate coordination and synchronization of multiple logistic processes. USTRANSCOM, as the [Distribution Process Owner], must coordinate and synchronize a joint distribution tempo that is responsive to the requirements, capabilities, and military limitations in the [operational area]." That coordination and synchronization across the global distribution pipeline may be difficult to execute because, as stated in DOD's written comments, TRANSCOM's Distribution Process Owner responsibilities end at the point of need, not the point of the employment.

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[47] Defense Business Board, *Global Logistics Management* (July 21, 2011).

Figure 7: Global Distribution Pipeline
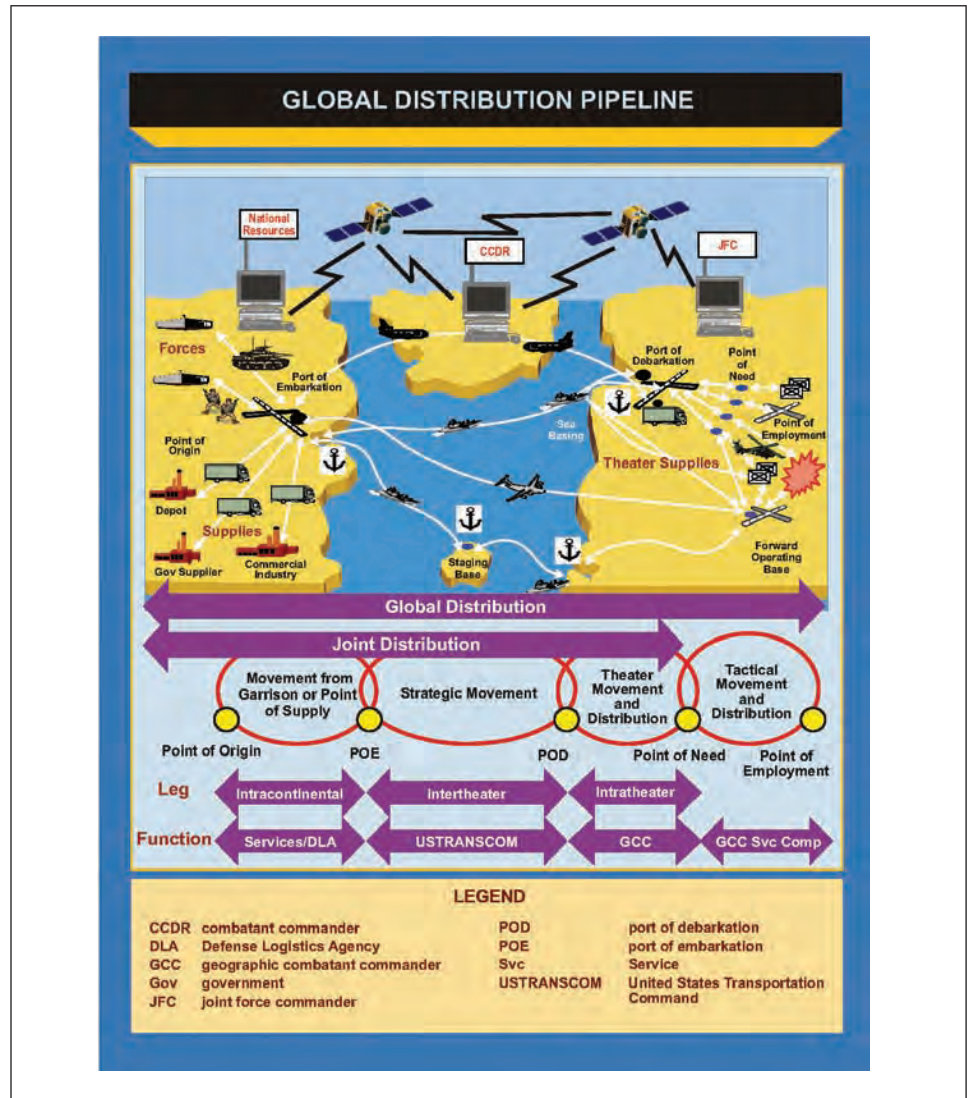
Source: DOD Joint Publication 4-09 Distribution Operations .

- DOD Directive 5158.04, which provides guidance on TRANSCOM generally, defines a process owner as "the head of a DOD Component assigned a responsibility by the Secretary of Defense when process improvement involves more than one Military Service or DOD Component. The process owner has the responsibility for sustaining and improving processes, creating new processes where

appropriate, and being accountable for their outcomes. Process owners advocate improvements for and across all DOD Components for effectiveness, efficiency, and alignment relevant to a particular process." As previously mentioned, DOD's written comments stated that TRANSCOM's Distribution Process Owner responsibilities end at the point of need and do not extend along the fourth leg of distribution to the point of employment. Even if DOD defines the process in question as terminating at the point of need, restricting the Distribution Process Owner's awareness of the fourth leg altogether may impede its ability to effectively advocate improvements for and across all DOD components, at any stage of global or joint distribution. Furthermore, the Directive is unclear as it directs TRANSCOM as Distribution Process Owner to "oversee the overall effectiveness, efficiency, and alignment of DOD-wide distribution activities, including force projection, sustainment, and redeployment/retrograde operations" but does not clearly define what "DOD-wide" means. As we said in our report, Office of the Secretary of Defense officials stated during our review that it includes all four legs of the global distribution pipeline, but DOD's written comments indicate that this is not the case. Not including the fourth leg of distribution fragments the distribution process, making it difficult for TRANSCOM to execute its process owner responsibilities to "advocate improvements for and across all DOD Components for effectiveness, efficiency, and alignment relevant to a particular process."

- The President's 2011 Unified Command Plan states that TRANSCOM "is responsible for synchronizing planning for global distribution operations and will do so in coordination with other combatant commands, the Services, and, as directed, appropriate government agencies," which suggests coordination is necessary with DOD components across the global distribution pipeline, even if only for planning purposes. Specific responsibilities listed include advocating for global distribution capabilities, further indicating that TRANSCOM would be well-served with some degree of awareness—at the very minimum—of the processes, successes, and gaps in the fourth leg of the global distribution pipeline. The lack of coordination with DOD components involved in the fourth leg of distribution fragments the distribution process, making it difficult for TRANSCOM to execute its responsibility for synchronizing planning for global distribution operations as stated in the Unified Command Plan. In addition, the Plan states that TRANSCOM, as Distribution Process Owner, is responsible for "[c]oordinating and overseeing the DOD distribution system to provide interoperability, synchronization, and alignment of DOD-wide, end-to-end distribution" and for "[d]eveloping and implementing distribution process improvements that enhance the

Defense Logistics and Global Supply Chain Management System." While we acknowledge that DOD has defined "end-to-end" in doctrine to terminate at the point of need, the Unified Command Plan also uses the term "DOD-wide," which some officials believed included all four legs. At a minimum, the language and officials' statements, as discussed below, suggest some degree of confusion over the extent of TRANSCOM's role with respect to global distribution and interaction with components across DOD.

- The Joint Logistics (Distribution) Joint Integrating Concept states that TRANSCOM, as Distribution Process Owner, has responsibility to coordinate and synchronize the Joint Deployment and Distribution Enterprise. It defines this Enterprise's mission as including the execution of global joint distribution operations in support of joint force commanders and calls for an Enterprise capable of providing prospective joint force commanders with the ability to rapidly and effectively move and sustain selected joint forces in support of major combat operations or other joint operations. For TRANSCOM to more effectively coordinate and synchronize the Enterprise to meet joint force commander requirements, it would benefit from having an awareness of distribution requirements and processes in the fourth leg, from the point of need to the point of employment. Even though the Joint Deployment and Distribution Enterprise is limited to end-to-end distribution (i.e., to the point of need), an awareness of success and issues within the fourth leg could be useful, if not necessary.[48]

Further, DOD's position with regard to Distribution Process Owner oversight also conflicts with the intent of the Distribution Process Owner as presented in statements made to us and publicly by TRANSCOM. For example:

- In written responses to our questions regarding Distribution Process Owner responsibilities, TRANSCOM stated that although Joint Distribution responsibility ends at the point of need, the Distribution Process Owner must coordinate and synchronize a global distribution

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[48] For example, Joint Publication 4-09 notes that, although the Joint Deployment and Distribution Enterprise "provides logistic solutions to the joint forces commander to minimize seams in the joint distribution pipeline from the point of origin through the point of need," it also "complements, interacts with, and augments Service or [joint force commander]-unique theater distribution responsibilities and capabilities to ensure distribution is coordinated and synchronized all the way to the point of employment." Joint Pub. 4-09 at I-8.

tempo that is responsive to the requirements, capabilities, and military limitations extending to the point of employment.

- During an April 2011 hearing before the Senate Armed Services Committee, the TRANSCOM commander stated that the Secretary of Defense "gave the D[istribution] P[rocess] O[wner] influence over the entire supply chain, from factory to foxhole." The commander's written statement also stated that "[t]he ability of the U.S. to project and sustain our forces over global distances is one of our nation's greatest asymmetric advantages. Our success depends on our ability to synchronize deployment distribution planning and execution across DOD, the regional Combatant Commands, the Services and our coalition and interagency partners. To that end, upon the President's approval, USTRANSCOM is poised to assume an additional Unified Command Plan (UCP) mission as the 'Global Distribution Synchronizer.' In collaboration with our partners, this new mission will enable us to shape the distribution environment and gain greater access to distribution lanes that cross multiple theaters to project and sustain forces globally."

- TRANSCOM's current Distribution Process Owner website states that the Distribution Process Owner's vision is to "synchronize and deliver unrivaled, full-spectrum, deployment and distribution solutions." Further, the site also provides briefings that identify the Distribution Process Owner's span of influence as being from the point of acquisition through to the point of effect, which DOD now defines as the point of employment. See figure 2 below for TRANSCOM's graphic on the Distribution Process Owner span of influence as provided in its USTRANSCOM 101 Briefing.

Figure 8: TRANSCOM Briefing Slide on Distribution Process Owner Span of Influence
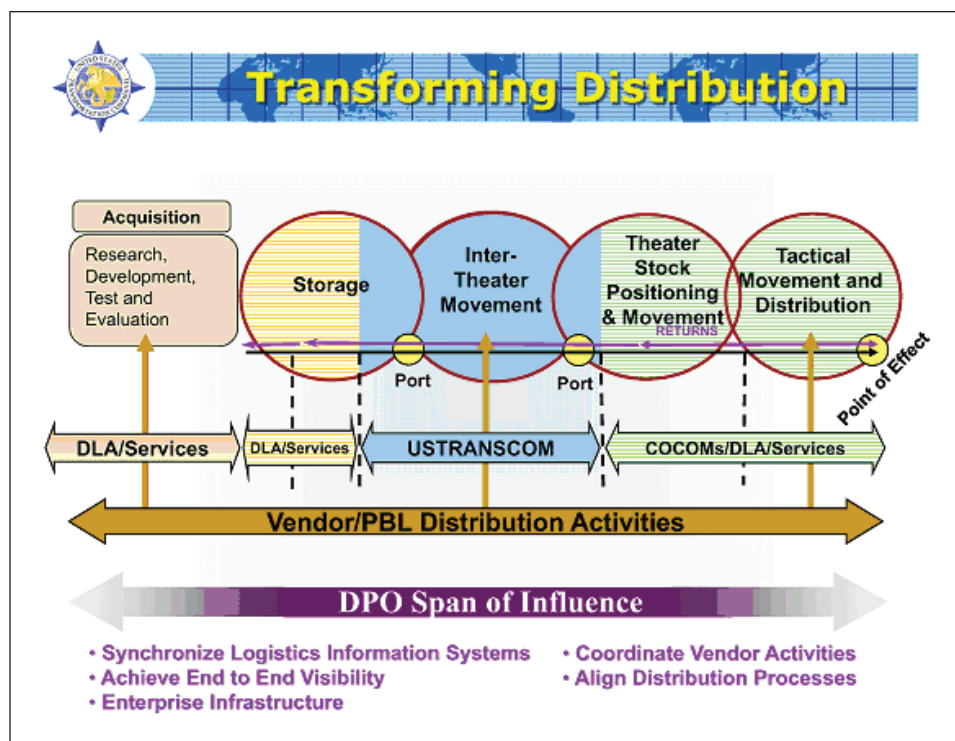
Source: U.S. TRANSCOM.

Since the Distribution Process Owner's span of influence extends to the point of employment in the above graphic, the Distribution Process Owner should, at minimum, be aware of and maintain visibility over the delivery of supplies and equipment within the fourth leg of distribution. Moreover, DOD's interpretation that the Distribution Process Owner's oversight does not extend across the battlefield to the point of employment leaves DOD with a fragmented distribution system that provides no single entity with visibility and oversight over the entire DOD-wide global distribution pipeline. Such an absence of comprehensive visibility and oversight limits DOD's ability to measure and evaluate the effectiveness of the entire process, influence change across the spectrum of DOD's operations, and ensure no unnecessary overlap exists among the numerous organizations responsible for executing global distribution. For example and as we discussed in our report, the lack of complete visibility over shipments to Afghanistan can lead units to requisition the same items repeatedly because they do not know where their items are in the

distribution pipeline, and there is currently no single DOD organization with the comprehensive oversight and visibility necessary to help prevent this from occurring. Given the challenges that DOD has faced and likely will continue to face, we continue to believe the department should implement our recommendation to clarify current doctrine on TRANSCOM's oversight role as Distribution Process Owner and to include the fourth leg of distribution.

DOD did not concur with our recommendations to direct U.S. Central Command, and subsequently U.S. Forces-Afghanistan, to provide regular reports to TRANSCOM on delivery performance for shipments within Afghanistan, and to direct TRANSCOM to incorporate those delivery performance reports into the command's review of distribution metrics. DOD stated that it disagreed with our recommendation for U.S. Central Command to provide performance reports to TRANSCOM for the reasons cited in their comments on our first recommendation, which we summarize above. Further, DOD stated that TRANSCOM already tracks time-definite delivery standards for shipments to Afghanistan. We continue to believe that TRANSCOM would better be able to carry out its responsibilities both as DOD's Distribution Process Owner and in the broader context (e.g., in its role of synchronizing planning for global distribution operations) by receiving and reviewing regular reports from U.S. Forces-Afghanistan on delivery performance for shipments along the fourth leg of distribution—from the point of need to the point of employment in Afghanistan—since awareness of performance in the fourth leg can inform performance in the first three legs and throughout the distribution system. TRANSCOM uses performance metrics to monitor the effectiveness of DOD's distribution system to deliver the right things to the right place at the right time. For example, DOD stated in its written comments that TRANSCOM tracks time-definite delivery standards for shipments to theater. However, as we described in our report, time-definite delivery standards apply only to shipments as they travel the first three legs of distribution to the point of need, but are not applied to shipments that are further transported along the fourth leg – from the point of need to the point of employment. Rather, U.S. Forces-Afghanistan and its subordinate units separately track their own performance metrics to assess the timeliness of shipment delivery from the point of need to the point of employment, and DOD officials stated that U.S. Forces-Afghanistan does not report this performance assessment to TRANSCOM. DOD's written comments stated that TRANSCOM's Distribution Process Owner responsibilities end at the point of need, but TRANSCOM cannot be effective in carrying out its responsibilities in the first three legs if it has no awareness into the

operations and performance of the fourth leg. Additionally, this interpretation of the Distribution Process Owner roles and responsibilities results in fragmentation, as no one DOD entity oversees—has visibility into—the performance of the global distribution pipeline. Until this issue is addressed, DOD will be unable to effectively measure the success of the first three legs of the distribution system, maintain awareness of the performance of the entire distribution system, and ensure that supplies and equipment are being delivered timely to the warfighter at the point of employment. Therefore, we continue to believe that DOD should implement our recommendations to have TRANSCOM receive and review regular reports from U.S. Forces-Afghanistan on delivery performance along the fourth leg of distribution within Afghanistan.

DOD concurred with our recommendations to develop an ongoing, systematic approach to identify the reasons why delivery dates for delivered surface shipments are not documented in the SDDC database and implement corrective actions to improve the documentation of delivered surface shipments, and to develop an ongoing, systematic approach to investigate cases of undelivered surface shipments to determine their status and update the database with the most current information. DOD stated that it concurred with directing TRANSCOM to implement our recommendations to the point of need, or major logistics base in Afghanistan. We agree with DOD's interpretation of our recommendations, which, as we discuss in our report, are applied to TRANSCOM's existing metrics for surface shipments delivered by SDDC's contracted commercial carriers to major logistics bases in Afghanistan and do not apply to surface shipments beyond that point. However, DOD did not provide any details as to how and when it will implement our recommendations. To ensure that DOD can accurately assess its delivery performance for and maintain accountability of surface shipments to Afghanistan, it is important that DOD identify specific actions with milestones for implementation for developing an ongoing, systematic approach to improve the documentation of delivered surface shipments in the SDDC database and to investigate cases of undelivered surface shipments, especially in light of the large number of surface shipments without a documented delivery date in the SDDC database that we discuss in our report.

DOD did not concur with our recommendation that the Secretary of Defense direct U.S. Central Command to develop necessary policies and procedures to ensure that content-level detail is entered onto RFID tags. The Department stated that adequate policy and procedures already exist regarding content-level RFID requirements. As stated in our report, GAO

acknowledges that DOD has established various policies and procedures regarding content-level RFID requirements. However, as we reported, issues remain with DOD personnel entering in the content-level data required by this guidance. For example, as stated in our report, DOD officials in Afghanistan cited that approximately 40 percent of the RFID tags on cargo bound for one base in theater had incorrect or incomplete data "burned' onto them. While policy may be clear on what is required, steps to ensure that these requirements are met are not clearly implemented. As such, we continue to support our recommendation that DOD develop the necessary policies and procedures to ensure that RFID data requirements established in current policy is enforced.

DOD partially concurred with our recommendation that the Secretary of Defense direct U.S. Central Command to implement required data entry training for all deploying units. The Department acknowledged the need to emphasize existing training, and determine why troops are not employing the training they receive, and concurred that enforcement of data entry policies, revised training and resourcing of mobile training teams would be beneficial. DOD did not concur with tasking U.S. Central Command for this requirement, stating the Command is not sourced or required to provide this training, and that training is the responsibility of the services. We agree that DOD's proposed action to direct the services to re-evaluate the training for deploying units would be a major step in addressing this recommendation. However, we believe that U.S. Central Command can coordinate with the Services on training specifications and requirements necessary to conduct the Command's missions, and to ensure that training is provided to units assigned to the U.S. Central Command area of responsibility.

DOD partially concurred with our recommendation that the Secretary of Defense direct U.S. Central Command to ensure that periodic inspections of RFID data entries are performed. While the Department acknowledged the need to periodically inspect RFID data and that U.S. Central Command has a role in ensuring compliance, it stated that primary responsibility has been assigned to TRANSCOM, which is currently monitoring and reporting violations. We agree that TRANSCOM should have a role in implementing any actions to address this recommendation. However, U.S. Central Command in-transit visibility regulations provided to GAO describe specific RFID data requirements and policies for cargo shipped into the U.S. Central Command area of responsibility, including requirements for content-level cargo data to be recorded on RFID tags. We believe that, as owner of the theater and author of the regulation, U.S.

Central Command has responsibility to ensure that its policies and regulations are being implemented.

DOD partially concurred with our recommendations to evaluate the feasibility and costs of alternative approaches for developing a single, user-friendly common operating picture that integrates transportation systems from and is accessible at the strategic, operational, and tactical levels, and to select and implement a cost-effective approach for improving in-transit visibility. DOD stated that it has identified Battle Command Sustainment Support Structure—Node Management as Afghanistan's single, user-friendly common operating picture that integrates transportation information at the strategic, operational, and tactical levels. This system was designated as such following several assessments by TRANSCOM, U.S. Forces-Afghanistan, and the Afghanistan In-Transit Visibility Task Force. Further, according to DOD, in March 2011 the Joint Rapid Acquisition Cell validated a joint urgent operational needs statement to support enhancements to the system. DOD stated that given the Department's progress, there is no need to direct TRANSCOM to evaluate alternative approaches for a common operating picture. Additionally, DOD stated that the Afghanistan In-Transit Visibility Task Force has identified 52 separate requirements to improve in-transit visibility processes. According to DOD, 36 tasks have been completed to date, including recommended changes to policies, processes, contracts, existing in-transit visibility capabilities, enforcement of data quality standards, and systems integration. DOD added that the Task Force continues to conduct periodic senior level executive summits to maintain focus in this area. We acknowledge in our report that DOD directed the Battle Command Sustainment Support Structure—Node Management to become the joint theater distribution common operating picture, and we agree that DOD's designation of this system as the single common operating picture for all levels of distribution, coupled with a validated joint urgent operational needs statement to support enhancements to the system, are positive steps in addressing our recommendations. However, the system has not been fully implemented, and its capability to provide comprehensive integration of strategic, operational, and tactical level transportation systems, and to be accessible by personnel at all three of those levels, has not yet been evaluated. Additionally, DOD did not provide timelines for full implementation of the common operating picture or the enhancements identified in the joint urgent operational needs statement. In order to fully address our recommendations, we believe it will be necessary for DOD to establish and follow a plan with milestones for fully implementing the common operating picture with necessary enhancements and to ensure

that the Battle Command Sustainment Support Structure—Node Management cost-effectively provides a single, user-friendly common operating picture to provide timely in-transit visibility data. It will be particularly important to demonstrate success in establishing this common operating picture given the large number of transportation systems and prior attempts by DOD components, combatant commands, and military services to integrate these systems, as discussed in our report. Finally, we acknowledge in our report the efforts to improve visibility that have been completed and are still ongoing by the Afghanistan In-Transit Visibility Task Force and other DOD organizations. We agree that the Task Force's efforts to improve visibility are a step in the right direction and encourage the Task Force and other DOD organizations to continue to focus their attention on implementing a single, user-friendly common operating picture for in-transit visibility data.

DOD concurred with our recommendation to develop and implement training for units on customs processes for export cargo to instill best practices for documenting cargo according to customs policies. The Department acknowledged the need to improve training on customs processes for cargo export, although DOD stated that there is currently no evidence that customs delays are directly impacting support to U.S. Forces-Afghanistan. While DOD's comments did acknowledge the need for better training on customs processes, it did not provide any actions it planned to take to address this issue. Furthermore, as noted in our report, we found that customs delays have impacted the warfighter in Afghanistan. Specifically, DOD officials stated that customs delays caused by inaccurate customs paperwork, inconsistent application of customs policies, and other reasons delay cargo shipments to and from Afghanistan. DOD also stated that military services are responsible for training, but that TRANSCOM (via SDDC) also has a training role when their Deployment and Distribution Support Teams are deployed to various hubs and forward operating bases to assist redeploying units. Given DOD's acknowledgement that TRANSCOM (via SDDC) has a training role in addition to the military services, we believe that TRANSCOM (via SDDC) and the services both play a role in ensuring units are adequately trained and that customs procedures are consistently followed. Due to its role in DOD-wide surface transportation and its provision of in-theater customs process training at various major logistics bases and forward operating bases, we believe SDDC—in coordination with the services— would be the appropriate command responsible for ensuring all units are effectively trained on customs procedures to minimize transportation delays. DOD further stated that U.S. Central Command chartered a "Customs Working Group" to improve Afghan customs operations over

the last year. While we agree that the efforts by the working group to improve customs operations are important, we are recommending that DOD train units on the customs process in order to leverage these improvements.

DOD partially concurred with our recommendation to require units to complete mandatory training on how to report, document, and complete a transportation discrepancy report. The Department acknowledged the need to improve training on the transportation discrepancy report process, but did not concur with tasking U.S. Central Command for this requirement, stating that training is the responsibility of the military services. While we agree that the military services have a significant role in developing and implementing any training to address our recommendations, we continue to believe that U.S. Central Command has the ability to coordinate with the services on training specifications and requirements necessary to conduct the Command's missions, and to ensure that training is provided to units assigned to the U.S. Central Command area of responsibility. Additionally, although DOD acknowledged need for improvement, it did not discuss what steps the Department would take to implement our recommendation. However, DOD stated that TRANSCOM (via SDDC) has taken steps to significantly streamline the transportation discrepancy report process, including the following: transportation discrepancy report documentation requirements have been reduced from twenty to six pages; SDDC produced a transportation discrepancy report handbook that units receive prior to redeployment; and SDDC has a cell located in Afghanistan which helps units complete the transportation discrepancy report process. Additionally, DOD stated that SDDC plans to automate the transportation discrepancy report process in the Global Freight Management Identification System; development is scheduled to begin by February 2012. During the course of our review, we did not find evidence that the reduction of paperwork requirements improved submission of transportation discrepancy reports, as the transportation discrepancy process described in the SDDC handbook still has 11 steps which DOD officials in Afghanistan stated are "complex and time-consuming." Additionally, our report notes that some documentation the SDDC handbook identifies as required for transportation discrepancy reports is not always possible to obtain, or is inaccurate or incomplete. We also acknowledged in our report that SDDC has developed a theater-specific handbook that explains the process of completing a transportation discrepancy report, but testimonial evidence gathered by GAO from officials in Afghanistan states that the handbook is not provided to units until after pilferage or damage has been identified and the unit has

notified SDDC of the incident. Furthermore, some officials stated that, because they had not received guidance on preparing transportation discrepancy reports, they were unsure of who to contact to initiate transportation discrepancy reports once they discovered pilferage had occurred, indicating they were unaware that an SDDC cell in Afghanistan is available to assist them with completing transportation discrepancy reports. Given these findings, we continue to believe that it is important for DOD to ensure that deploying units receive training on how to accurately initiate and complete a transportation discrepancy report.

DOD partially concurred with our recommendation to include host nation truck complaints in the reported pilferage and damage calculation. DOD acknowledged the need to implement this recommendation, but did not concur with tasking TRANSCOM because U.S. Central Command and U.S. Forces-Afghanistan administer host nation contracts from the point of need to the point of employment. DOD indicated that the recommendation would be more appropriately directed at U.S. Central Command. While DOD acknowledged the need to implement our recommendation, the Department did not discuss the steps it would take to implement it or when implementation would take place. We agree that U.S. Central Command and U.S. Forces-Afghanistan should be involved in addressing this issue, given their role in managing the truck contracts for transportation between the point of need and the point of employment within Afghanistan. However, in order for DOD to have a complete picture of the incidents of pilferage and damage of shipments to and within Afghanistan, we believe TRANSCOM should incorporate data from host nation trucking shipments into its reports to provide a more complete assessment of cargo pilferage and damage in the U.S. Central Command theater.

DOD concurred with our recommendations to select a single container management system for all DOD entities and contract carriers to track container status, and to create, implement, and enforce reporting requirements and procedures for tracking containers in theater. DOD stated that its Joint Intermodal Working Group is taking steps to develop and implement a single container management system to better track and report on containers. DOD also stated that it has published container management policy and that TRANSCOM, as manager of the intermodal container program, is coordinating with the military services and combatant commanders through the Joint Intermodal Working Group to improve container management procedures. We continue to believe that DOD will need to work with all applicable stakeholders to enforce

reporting requirements and procedures to enable DOD to better manage its cargo containers.

We are sending copies of this report to interested congressional committees and the Secretary of Defense. This report will be available at no charge on GAO's website, http://www.gao.gov.

If you or your staff have any questions about this report, please contact me at (202) 512-8365 or by e-mail at solisw@gao.gov. Contact information for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who have made major contributions to this report are listed in appendix III.

William M. Solis, Director
Defense Capabilities and Management

List of Addressees

The Honorable Carl Levin
Chairman
The Honorable John McCain
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Joseph Lieberman
Chairman
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Howard McKeon
Chairman
The Honorable Adam Smith
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable John F. Tierney
Ranking Member
Subcommittee on National Security, Homeland Defense and Foreign
  Operations
Committee on Oversight and Government Reform
House of Representatives

Appendix I: Scope and Methodology

To determine the extent to which the Department of Defense (DOD) has oversight of the distribution of supplies and equipment into and within Afghanistan, we reviewed prior GAO reports on DOD's supply chain and distribution efforts; joint doctrine,[1] which provides the framework for how logistics are to be delivered to support joint operations across the range of military operations; DOD guidance on the roles and responsibilities for the U.S. Transportation Command (TRANSCOM) as the Distribution Process Owner; and U.S. Central Command and U.S. Forces-Afghanistan guidance on the distribution of supplies and equipment to Afghanistan. We also obtained documentation from and interviewed officials with the Under Secretary of Defense for Acquisition, Technology and Logistics; the Joint Staff; the Department of the Army; TRANSCOM and its service component commands, Surface Deployment and Distribution Command (SDDC) and Air Mobility Command; U.S. Central Command and its Army, Air Force, and Marine Corps component commands; the Central Command Deployment and Distribution Operations Center; the Defense Logistics Agency; and U.S. Forces-Afghanistan and its subordinate units, including the Joint Sustainment Command-Afghanistan.

To determine the extent to which DOD has provided the supplies and equipment needed to support operations in Afghanistan in accordance with DOD's established plans and timelines, we obtained and reviewed DOD policy and guidance on performance metrics for the delivery of unit equipment and sustainment items to Afghanistan. We also obtained data and documentation from and interviewed officials with the Under Secretary of Defense for Acquisition, Technology and Logistics; the Joint Staff; the Department of the Army; TRANSCOM and its component commands, SDDC and the Air Mobility Command; U.S. Central Command and its Army, Air Force, and Marine Corps component commands; the Defense Logistics Agency; and U.S. Forces-Afghanistan and its subordinate units, including the Joint Sustainment Command-Afghanistan. To evaluate DOD's performance in meeting its time-definite delivery standards, we obtained and analyzed data on how long it took to deliver sustainment items by surface, military air, and commercial air to major logistics bases in Afghanistan from December 2009 through March 2011, and compared those performance data against the standards. We assessed the reliability of the data by reviewing related documentation,

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[1]Joint Chiefs of Staff, Joint Pub. 4-0, Joint Logistics (July 18, 2008).

interviewing and obtaining written comments from knowledgeable officials, and testing the data for obvious errors and completeness, and determined that the data were sufficiently reliable for our purposes. To evaluate DOD's performance in meeting required delivery dates, we obtained and analyzed data from SDDC's shipment database on the actual delivery dates for surface shipments of unit equipment and sustainment items to major logistics bases in Afghanistan from 2008 through 2010, and compared shipments' actual delivery dates to their required delivery dates. We assessed the reliability of the data by reviewing related documentation, interviewing and obtaining written comments from knowledgeable officials, and testing the data for obvious errors and completeness. We determined that although the data were incomplete and subject to the limitations discussed in this report, they were sufficiently reliable to evaluate DOD's performance in meeting required delivery dates for those shipments that had a documented delivery date in the shipment database.

To determine what challenges have affected DOD's ability to provide the supplies and equipment needed to support operations in Afghanistan, we reviewed prior GAO reports on DOD's supply chain and distribution efforts; DOD, service, and combatant command policies and guidance on in-transit visibility data collection, transportation information systems, customs procedures, cargo pilferage and damage reporting requirements and processes, and container management; and DOD assessments on the challenges it faces in distributing supplies and equipment to Afghanistan via air and surface routes. We conducted site visits at various locations in the United States and in the U.S. Central Command area of responsibility, including Afghanistan, Pakistan, Kuwait, Qatar, and Bahrain. We also obtained documentation from and interviewed officials with the Under Secretary of Defense for Acquisition, Technology and Logistics; the Joint Staff; the Department of the Army; TRANSCOM and its service component commands, SDDC and Air Mobility Command; U.S. Central Command and its Army, Air Force, and Marine Corps component commands; the Central Command Deployment and Distribution Operations Center; the Defense Logistics Agency; U.S. Forces-Afghanistan and its subordinate units, including the Joint Sustainment Command-Afghanistan; and several units deployed during our visit to Afghanistan.

We conducted this performance audit from April 2010 through October 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for

our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

ASSISTANT SECRETARY OF DEFENSE
3500 DEFENSE PENTAGON
WASHINGTON, DC 20301-3500

LOGISTICS AND
MATERIEL READINESS

SEP   8 2011

Mr. William Solis
Director, Defense Capabilities and Management Team
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Mr. Solis:

This is the Department of Defense (DoD) response to the GAO Draft Report, GAO-11-694, "WARFIGHTER SUPPORT: DoD Has Made Progress, But Supply and Distribution Challenges Remain in Afghanistan," dated July 8, 2011 (GAO Code 351492). The Department concurs with comment on five of GAO's recommendations, partially concurs with six recommendations, and non-concurs with four recommendations. Our partial or non-concurrence is primarily due to the GAO recommendations that contradict DoD policy or doctrine, and we believe our current policy or doctrine provides the necessary support to our warfighters. Detailed comments on the report recommendations are enclosed.

As GAO's draft report indicates, the Department has made great strides in improving distribution operations in Afghanistan. It is important to note that GAO's audit occurred during the recent 30,000 troop surge. While DoD failed to meet time definite delivery standards in Afghanistan during this timeframe, remarkably, USFOR-A was simultaneously able to increase ration stocks from 30 to more than 60 days and fuel stocks from 30 to 45 days of supply on hand. This unprecedented growth reflects a robust supply network, not hampered by delivery timelines.

We acknowledge that several challenges remain. The Department is striving to ensure that we meet each of these challenges in the most timely, efficient and effective manner in order to ensure the best possible support to our Soldiers, Sailors, Airmen and Marines.

The Department appreciates the opportunity to comment on this audit. Should additional information be required, my point of contact is Colonel Michael J. Cashner at mike.cashner@osd.mil, or 703-601-4461, extension 107.

Sincerely,

Alan F. Estevez

Enclosure:
As stated

GAO DRAFT REPORT DATED JULY 8, 2011
GAO-11-694 (GAO CODE 351492)

"WARFIGHTER SUPPORT: DOD HAS MADE PROGRESS, BUT SUPPLY AND
DISTRIBUTION CHALLENGES REMAIN IN AFGHANISTAN"

DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATIONS

<u>RECOMMENDATION 1</u>: The GAO recommends that the Secretary of Defense direct
the Under Secretary of Defense for Acquisition, Technology, and Logistics to revise the
instructions for Distribution Process Owner and the Joint Staff to revise Joint Publication
4-09 to provide clear guidance on how U.S. Transportation Command (USTRANSCOM)
is to oversee the overall effectiveness, efficiency, and alignment of DoD-wide
distribution activities, to include the fourth leg of distribution.

<u>DoD Response:</u> Non-concur

DoD non-concurs with the recommendation to revise Joint Publication (JP) 4-09 and the
instructions for the DPO, to include the fourth leg of distribution. The DPO's authority
and oversight responsibility extends to the point of need, not to the point of employment.
This distinction is clearly made in the Joint Logistics (Distribution) Joint Integrating
Concept (JL(D) JIC) and promulgated throughout doctrine and policy by way of
reference to the JL(D) JIC.

DoD Instruction 5158.06 defines the roles and responsibilities of the DPO and establishes
the scope of "end to end" distribution as origin to point of need (not point of
employment) in accordance with the JL(D) JIC.

Analysis of these documents, combined with the responsibilities of the Services under
Title 10 of the United States Code, supports the position that distribution from the point
of need to the point of employment is the responsibility of the Regional Combatant
Commander/Joint Forces Commander, Service Components and Services – not
USTRANSCOM.

<u>RECOMMENDATION 2:</u> The GAO recommends that the Secretary of Defense direct
the U.S. Central Command to direct U.S. Forces-Afghanistan to provide regular reports
to USTRANSCOM on delivery performance for shipments within Afghanistan.

<u>DoD Response:</u> Non-concur

DoD non-concurs with the need for USCENTCOM to provide USTRANSCOM metrics
relating to the fourth leg of distribution for the reasons cited above.

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RECOMMENDATION 3: The GAO recommends that the Secretary of Defense direct
the Commander of USTRANSCOM to incorporate the delivery performance reports from
U.S. Forces-Afghanistan into the command's review of distribution metrics, in order for
USTRANSCOM to measure the performance of DoD's entire distribution system.

DoD Response: Non-concur

DoD non-concurs with the need for USCENTCOM to provide USTRANSCOM metrics.
USTRANSCOM already tracks Time Definite Delivery Standard metrics that include
Logistics Response Time from requisition receipt in the Defense Automatic Addressing
System to item receipt in theater via a D6S transaction.

RECOMMENDATION 4: The GAO recommends that the Secretary of Defense direct
the Commander of USTRANSCOM to develop an ongoing, systematic approach to
identify the reasons why delivery dates for delivered shipments are not documented and
implement corrective actions to improve the documentation of delivered shipments.

DoD Response: Concur with comment

DoD concurs with directing USTRANSCOM to perform this task for deliveries up to (but
not exceeding) the RCC/JFC designated point of need.

RECOMMENDATION 5: The GAO recommends that the Secretary of Defense direct
the Commander of USTRANSCOM to develop an ongoing, systematic approach to
investigate cases of undelivered shipments to determine their status and update the
database with the most current information.

DoD Response: Concur with comment

DoD concurs with directing USTRANSCOM to perform this task up to the point of need.

RECOMMENDATION 6: The GAO recommends that the Secretary of Defense direct
U.S. Central Command to develop necessary policies and procedures to ensure that
content-level detail is entered onto radio frequency identification (RFID) tags.

DoD Response: Non-concur

Adequate policy and procedures already exist regarding content-level RFID
requirements:

- USTRANSCOM is providing a monthly list of "RFID violators" to the Military
  Services which is a management tool to enforce proper RFID application.

- An Under Secretary of Defense for Acquisition, Technology and Logistics
  memorandum, dated July 30, 2004 identified the content level data requirements
  for both sustainment and unit shipments.

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- USCENTCOM Regulation 700-4, dated June 1, 2011 establishes policy and procedures for cargo transiting the USCENTCOM area of responsibility.

- March 22, 2011 Army Forces Command (USFORSCOM) Operations Order which was followed by a May 31, 2011 message from the Deputy Commander of USFORSCOM to all Army units, reiterating RFID requirements.

RECOMMENDATION 7: The GAO recommends that the Secretary of Defense direct U.S. Central Command to implement required data entry training for all deploying units.

DoD Response: Partially concur

DoD non concurs with tasking USCENTCOM for this requirement. USCENTCOM is not sourced or required to provide this training. Training is a Service responsibility under Title 10 of U.S. Code. As a result, Marine and Army Forces Commands (MARFORCOM and FORSCOM, respectively) have internal policies and orders that direct deploying units to meet this requirement.

DoD acknowledges the need to emphasize existing training, and determine why troops are not employing the training they receive. We concur that enforcement of data entry policies, revised training and resourcing of mobile training teams would be beneficial. DoD will direct the Services to re-evaluate their current training programs.

RECOMMENDATION 8: The GAO recommends that the Secretary of Defense direct U.S. Central Command to ensure that periodic inspections of RFID data entries are performed.

DoD Response: Partially concur

DoD acknowledges the need for periodic inspections of RFID data, but directing USCENTCOM is not necessary. The DoD is already taking steps to identify RFID violations. Although CENTCOM has a role in ensuring compliance, DoD assigned primary responsibility to USTRANSCOM who is monitoring and reporting violators.

RECOMMENDATION 9: The GAO recommends that the Secretary of Defense direct USTRANSCOM, in consultation with the combatant commands, the military services, and other DoD distribution stakeholders, to evaluate the feasibility and costs of alternative approaches for developing a single user-friendly common operating picture that integrates transportation systems from the strategic, operational, and tactical levels and is accessible by personnel at each of these levels to provide timely in-transit visibility data.

DoD Response: Partially concur

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The DoD has already identified the Battle Command Sustainment Support System-Node Management (BCS3-NM) as Afghanistan's single, user-friendly common operating picture (COP) that integrates transportation information at the strategic, operational and tactical levels. In March, 2011, the Joint Rapid Acquisition Cell (JRAC) validated a Joint Urgent Operational Needs Statement (JUONS) to support BCS 3 enhancements for a logistics COP. Given the Department's progress, there is no need to direct USTRANSCOM to evaluate alternative approaches for a COP. The Department designated BCS3-NM as the Afghanistan COP after several assessments by the Afghanistan ITV Task Force, USTRANSCOM and USFOR-A.

RECOMMENDATION 10: The GAO recommends that the Secretary of Defense direct USTRANSCOM, in consultation with the combatant commands, the military services, and other DoD distribution stakeholders, to select and implement a cost-effective approach for improving visibility.

DoD Response: Partially concur

USTRANSCOM is the DoD lead proponent for in-transit visibility. The DoD has already taken steps to improve in-transit visibility.

In August 2010, the Department established the Afghanistan ITV Task Force which identified 52 separate requirements to improve ITV processes. To date, 36 tasks have been completed including recommended changes to policies, processes, contracts, existing ITV capabilities, enforcement of data quality standards, and systems integration. The ITV Task Force continues to conduct periodic senior level executive summits to maintain focus in this area.

RECOMMENDATION 11: The GAO recommends that the Secretary of Defense direct Surface Deployment and Distribution Command (SDDC) to develop and implement training for units on customs processes for export cargo to instill best practices for documenting cargo according to customs policies, which may mitigate customs clearance delays that cause cargo backlog.

DoD Response: Concur with comment

DoD acknowledges the need for better training of units on customs processes for export cargo. While USCENTCOM is responsible for developing customs clearance procedures for posting in the Defense Transportation Regulation (DTR), the Military Services are responsible for training. USTRANSCOM (via SDDC) also has a training role when their Deployment and Distribution Support Teams are deployed to various hubs and forward operating bases to assist redeploying units.

USCENTCOM recently chartered a "Customs Working Group" which has made significant strides in improving Afghan customs operations over the last year. There is currently no evidence that customs delays are directly impacting support to USFOR-A.

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RECOMMENDATION 12: The GAO recommends that the Secretary of Defense direct U.S. Central Command to require units to complete mandatory training on how to report, document, and complete a transportation discrepancy report.

DoD Response: Partially concur

DoD acknowledges the need to improve training on the transportation discrepancy report (TDR) process. However, training is a Military Service responsibility.

USTRANSCOM (via SDDC) has taken steps to significantly streamline the TDR process. Since February, 2011 TDR documentation requirements have been reduced from 20 to 6 pages. Subsequently, SDDC produced a user friendly TDR handbook that units now receive prior to redeployment. SDDC also has a cell located in Afghanistan which helps units complete the TDR process. SDDC plans to automate the TDR process in the Global Freight Management Identification System; development is scheduled to begin by February 2012.

RECOMMENDATION 13: The GAO recommends that the Secretary of Defense direct USTRANSCOM to include host nation truck complaints in the reported pilferage and damage calculation.

DoD Response: Partially Concur

DoD non-concurs with tasking USTRANSCOM because USFOR-A and USCENTCOM administer host nation contracts from the point of need to the point of employment.

The DoD acknowledges the need to include host nation truck complaints in the overall USCENTCOM pilferage and damage calculation and will task accordingly.

RECOMMENDATION 14: The GAO recommends that the Secretary of Defense direct the Under Secretary of Defense for Acquisition, Technology, and Logistics to select a single container management system for all DoD entities and contract carriers to track container status.

DoD Response: Concur with comment

The DoD's Joint Intermodal Working Group (JIWG) is already taking steps to develop and implement a single container management system. Joint container management training is also a key element in successfully tracking container status.

RECOMMENDATION 15: The GAO recommends that the Secretary of Defense direct the Under Secretary of Defense for Acquisition, Technology, and Logistics to create, implement, and enforce reporting requirements and procedures for tracking containers in theater.

DoD Response: Concur with comment

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DoD concurs that improvements in container tracking and reporting are necessary.
AT&L has already published container management policy in DoDI 4500.57,
"Transportation and Traffic Management." USTRANSCOM, as the manager of the
intermodal container program, is coordinating with the Military Services and Combatant
Commanders through the JIWG to improve container management procedures. This
includes implementing a single container management system to enable better tracking
and reporting of containers.

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Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the contact named above, key contributors to this report include Cary Russell, Assistant Director; Tara Copp; Lisa McMillen; Geoffrey Peck; Hia Quach; Steve Pruitt; Terry Richardson; Michael Shaughnessy; Yong Song; Amie Steele; and Cheryl Weissman.

Related GAO Products

Warfighter Support: Preliminary Observations on DOD's Progress and Challenges in Distributing Supplies and Equipment to Afghanistan. GAO-10-842T. Washington, D.C.: June 25, 2010.

The Strategic Framework for U.S. Efforts in Afghanistan. GAO-10-655R. Washington, D.C.: June 15, 2010.

Afghanistan's Security Environment. GAO-10-613R. Washington, D.C.: May 5, 2010.

Iraq and Afghanistan: Availability of Forces, Equipment, and Infrastructure Should Be Considered in Developing U.S. Strategy and Plans. GAO-09-380T. Washington, D.C.: February 12, 2009.

Defense Logistics: DOD Has Begun to Improve Supply Distribution Operations, but Further Actions Are Needed to Sustain These Efforts. GAO-05-775. Washington, D.C.: August 11, 2005.

Information Security: Radio Frequency Identification Technology in the Federal Government. GAO-05-551. Washington, D.C.: May 27, 2005.

Defense Logistics: Preliminary Observations on the Effectiveness of Logistics Activities during Operation Iraqi Freedom. GAO-04-305R. Washington, D.C.: December 18, 2003.